

Ekl, Williams
& Provenzale LLC
Attorneys and Counselors at Law

Exhibit 1

FILED DATE: 10/25/2024 4:42 PM 2024CH09759

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION

FILED
10/25/2024 4:42 PM
IRIS Y. MARTINEZ
CIRCUIT CLERK
COOK COUNTY, IL
2024CH09759
Calendar, 3
29947927

WEST BEND INSURANCE COMPANY)
f/k/a WEST BEND MUTUAL INSURANCE)
COMPANY,)
)
Plaintiff,)
)
v.)
)
SIGLER’S AUTOMOTIVE AND BODY)
SHOP, INC.,)
)
Defendant.)

Case No.: 2024CH09759

COMPLAINT FOR DECLARATORY JUDGMENT

NOW COMES Plaintiff, WEST BEND INSURANCE COMPANY f/k/a WEST BEND
MUTUAL INSURANCE COMPANY (“West Bend”), by and through its attorneys, and for its
Complaint for Declaratory Judgment against Defendant, SIGLER’S AUTOMOTIVE AND
BODY SHOP, INC. (“Sigler’s”), states as follows:

PARTIES

- 1. Plaintiff, West Bend, was and is a Wisconsin corporation with its principal place of business in Wisconsin.
- 2. Defendant, Sigler’s, was and is an Illinois corporation with its principal place of business in Illinois.

NATURE OF THE ACTION

- 3. This is an action for declaratory relief pursuant to 735 Ill. Comp. Stat. § 5/2-701 which arises out of an existing and actual controversy between the parties concerning the parties’ rights and obligations under an insurance policy.

FACTS

4. West Bend issued to Sigler's a commercial property insurance policy, number B010120 05, effective from December 1, 2022, to December 1, 2023 (the "Policy"), the relevant forms and endorsements of which are contained in the insurance policy attached as Exhibit A.

5. The Policy insured Sigler's interest in commercial buildings located at 7445 and 7501 Channel Road in Skokie, Illinois (the "Property"), against risks of direct physical loss of or damage to covered property, subject to all the terms, conditions, limitations and exclusions stated therein.

6. On November 30, 2023, Sigler's notified West Bend that the Property had been damaged by hail on April 4, 2023.

7. As part of West Bend's investigation into Sigler's claim, West Bend retained Haag Engineering to inspect the Property and give their opinion on the condition of the Property and the nature and scope of any claimed damage. Haag Engineering's report is attached as Exhibit B.

8. Based on its investigation of the claimed loss, including the engineering analysis provided by Haag Engineering, West Bend determined that there was hail damage to siding, window frames and trim, gutters, and downspouts on the west elevation of the 7445 Channel Road building, and hail damage to ventilation duct covers on both buildings. However, West Bend found no hail damage to roof surfaces of either building.

9. West Bend and Haag Engineering observed evidence of wear and tear and mechanical damage to the Property and prior water intrusion into the interior of the Property unrelated to the April 4, 2023, hailstorm.

10. The Policy contains a Causes of Loss – Special Form which excludes coverage for loss or damage from interior water intrusion unless the building first sustains damage by a Covered Cause of Loss to its roof or walls through which rain, snow, sleet, or ice enters:

C. Limitations

The following limitations apply to all policy forms and endorsements, unless otherwise stated:

1. We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.

* * *

- c. The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:

- (1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or

- (2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.

11. The Causes of Loss – Special Form also excludes coverage for loss or damage caused by or resulting from wear and tear; deterioration; continuous or repeated seepage or leakage of water that occurs over a period of 14 days or more; or faulty, inadequate or defective workmanship, repair, or maintenance.

12. West Bend accordingly issued payment to Sigler's in the amount of \$13,296.14, reflecting the estimated cost of \$18,296.14 to repair or replace the building components which sustained covered damage by hail (siding, window frames and trim, gutters, downspouts, and ventilation duct covers), less the \$5,000 deductible.

13. Sigler's disagrees with the scope of loss as determined by West Bend, claiming that the hail damaged the roofs of the Property and that the cost to replace all claimed loss and damage is \$647,230.42; however, Sigler's has not provided any opinion of an engineer which counters the determinations made by West Bend and Haag Engineering.

14. Instead, on September 18, 2024, demanded appraisal, selecting Benjamin Smith as its appraiser. A true and correct copy of SIGLER'S's appraisal demand is attached as Exhibit C.

15. West Bend does not disagree that the cost to replace all *claimed* loss and damage is \$647,230.42. Rather, West Bend contends that the claimed loss and damage of \$647,230.42 is not covered because it was caused by or resulted from causes excluded under the Policy.

COUNT I

(Declaratory Judgment – Appraisal)

16. West Bend incorporates by reference the allegations contained in Paragraphs 1 – 15.

17. The Policy contains the following provision for resolution of certain disputes through appraisal (the "Appraisal Provision"):

BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10 10 12, Page 10 of 16

As modified by

ILLINOIS CHANGES IL 01 18 02 17, Page 1 of 2

E. Loss Conditions

* * *

2. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding.

- a. Each party will pay its own appraiser and bear the other expenses of the appraisal and umpire equally, except as provided in **b.** below.
- b. We will pay your appraiser's fee and the umpire's appraisal fee, if the following conditions exist:
 - (1) You demanded the appraisal; and
 - (2) The full amount of loss, as set by your appraiser, is agreed to by our appraiser or by the umpire.

If there is an appraisal, we will still retain our right to deny the claim.

18. The Appraisal Provision allows appraisers to resolve disagreements as to the value of the property and the amount of loss. The Appraisal Provision does not authorize appraisers to resolve disputes as to coverage or other questions of law.

19. West Bend and Sigler's disagree as to whether the claimed loss and damage of \$647,230.42 is covered because they disagree on the application of the exclusions for loss from interior water intrusion; wear and tear; deterioration; continuous or repeated seepage or leakage of water that occurs over a period of 14 days or more; or faulty, inadequate or defective workmanship, repair, or maintenance.

20. Because coverage is a matter for courts, not appraisers, to decide, the parties' dispute with respect to whether the Property sustained damage from causes excluded from coverage under the Policy is not subject to appraisal.

21. West Bend, accordingly, seeks a declaratory judgment that the issues of coverage and liability for the Property are not within the purview of the Appraisal Provision but, instead, expressly reserved for judicial or other resolution.

22. There is an actual and justiciable controversy concerning the authority of the appraisal panel to make determinations of coverage with respect to a claim for which there is no dispute concerning the amount of the claimed damage.

23. In order to conserve the parties' resources and to avoid incurring expenses for an appraisal that is later declared invalid, the Court should issue an order concerning the authority of the appraisal panel to determine coverage on a claim for which there is no dispute concerning the amount of the claimed damage.

WHEREFORE, Plaintiff, WEST BEND INSURANCE COMPANY f/k/a WEST BEND MUTUAL INSURANCE COMPANY, prays this honorable court enter judgment in its favor on Count I of its Complaint for Declaratory Judgment declaring and determining that the appraisal demand of Defendant, SIGLER'S AUTOMOTIVE AND BODY SHOP, INC., is invalid, and that it has no obligation under the Policy to appraise, and Defendant has no entitlement under the Policy to appraise, the parties' coverage dispute, and granting such other and further relief as is deemed just and proper.

WEST BEND INSURANCE COMPANY f/k/a WEST
BEND MUTUAL INSURANCE COMPANY



By: _____

Thomas B. Orlando
Foran Glennon Palandech Ponzi & Rudloff PC
222 North LaSalle Street, Suite 1400
Chicago, Illinois 60601
Tel: (312) 863-5000
torlando@fgppr.com
Firm ID 38567

EXHIBIT A

AFFIDAVIT

Paige Ruka, being first duly sworn on oath, deposes and says: That she is a duly authorized custodian of the records of West Bend Insurance Company, and she has the authority to certify those records.

Based upon my review of policy records, the policy attached to this Affidavit is a true copy of the

Commercial

policy, bearing policy number B010120-05 as that policy was in effect on 4/4/2023.

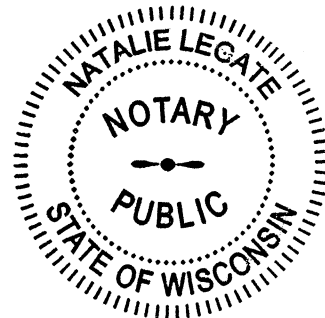
Paige Ruka

Paige Ruka

Subscribed and sworn to before me on 5/21/2024.

Natalie Legate

Notary Public, Washington County, WI
My Commission Expires 5/15/2026



ENDORSEMENT



Endorsement

Policy Change Summary Declarations**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076**Agency Name and Address:**ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

12778

Changes have been made to the above policy at your request or at the request of your agent.

Below is a summary of the changes to the Coverage(s) that are impacted. All other terms, conditions, exclusions and provisions of the policy remain the same.

To view a complete copy of your policy, visit us at <http://insured.thesilverlining.com> or on the West Bend mobile app.To request a complete copy of your policy, please email CustomerService@wbmi.com.**Effective Date of Change: 12/01/2022**
Coverage Part and Description of Change**Coverage Part****Commercial Auto Coverage**

Modified:

Number of -

Class I: Full-Time Employees Regularly Using Autos and Class I: All Other Employees at
7445 Channel Rd, Skokie, IL**Summary**The above changes result in the following Total Net Premium Change
(Including Taxes, Fees, and Surcharges)

Net Return Premium:

\$7,660.00

This is not a bill.

Any premium changes will be reflected on your next scheduled invoice.



Endorsement

Commercial Lines Policy Declaration**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

12778

In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.

This policy consists of the following coverage parts for which a premium is indicated. This premium may be subject to adjustment.

Coverage Part	Premium
Commercial Property Coverage	\$8,178.00
Commercial Auto Coverage	\$17,081.00
Commercial Liability Umbrella Coverage	\$2,081.00
Total Premium:	\$27,340.00
Total Including Taxes, Fees and Surcharges:	\$27,340.00

This is not a bill. A billing invoice will be sent separately.

See attached schedule for forms applicable to all coverage parts.



Endorsement

Commercial Lines Policy Declaration**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076**Agency Name and Address:**ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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Named Insured Schedule

Siglers Automotive and Body Shop, Inc

Specialty Vehicle Sales, Inc



Endorsement

Commercial Lines Policy Declarations**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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Location Schedule

Loc	Address	City	County	State	Zip
1	7445 Channel Rd	Skokie	Cook	IL	60076
2	7501 Channel Rd/3215 Birchwood	Skokie	Cook	IL	60076



Endorsement

Commercial Lines Policy Declarations**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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Forms Schedule

Number	Edition	Description
IL0952Z	0115	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
IL0985	1220	DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT
WB214	0119	MEMBERSHIP AND VOTING NOTICE
IL0935Z	0702	EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES
IL0017Z	1198	COMMON POLICY CONDITIONS
IL0118	0217	ILLINOIS CHANGES
IL0162	1013	ILLINOIS CHANGES - DEFENSE COSTS
IL0284	0118	ILLINOIS CHANGES - CANCELLATION AND NONRENEWAL
IL0021	0908	NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (BROAD FORM)
IL0147	0911	ILLINOIS CHANGES - CIVIL UNION

IL 09 52 Z 01 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
STANDARD PROPERTY POLICY

A. Cap On Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

B. Application Of Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

IL 09 85 12 20

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

SCHEDULE

Terrorism Premium (Certified Acts) \$

If you have previously rejected coverage under this policy for Certified Acts of Terrorism under the Terrorism Risk Insurance Act, Coverage will remain excluded unless you request coverage within 30 days of the policy effective date.

Additional information, if any, concerning the terrorism premium:

Federal share of terrorism losses	80 %
--	-------------

(Refer to Paragraph **B.** in this endorsement.)

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part II of the Schedule of this endorsement or in the policy Declarations) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

C. Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

MEMBERSHIP AND VOTING NOTICE

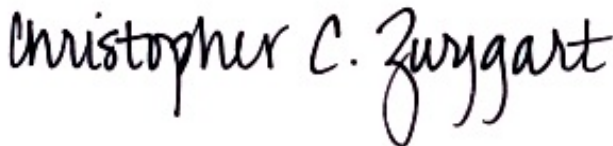
MUTUALS – MEMBERSHIP AND VOTING NOTICE

The named insured is notified that by virtue of this policy, the named insured is a member of the West Bend Mutual Insurance Company of West Bend, Wisconsin and is entitled to vote either in person or by proxy at any and all meetings of said Company. The Annual Meetings are held in its Home Office, on the second Tuesday of March commencing in 2007 and each year thereafter, at 10:00 a.m.

MUTUALS – PARTICIPATION CLAUSE WITH CONTINGENT LIABILITY

No Contingent Liability: This policy is nonassessable. The policyholder is a member of the company and shall participate, to the extent and upon the conditions fixed and determined by the Board of Directors in accordance with the provisions of law, in the distribution of dividends so fixed and determined.

In Witness Whereof, we have caused this policy to be executed and attested.



Christopher C. Zwygart
Secretary



Kevin A. Steiner
President and Chief Executive Officer

West Bend Mutual Insurance Company
1900 S. 18th Avenue
West Bend, WI 53095
800-236-5010

IL 09 35 Z 07 02

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
 CRIME AND FIDELITY COVERAGE PART
 STANDARD PROPERTY POLICY

- A.** We will not pay for loss ("loss") or damage caused directly or indirectly by the following. Such loss ("loss") or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss ("loss") or damage.
- 1.** The failure, malfunction or inadequacy of:
 - a.** Any of the following, whether belonging to any insured or to others:
 - (1)** Computer hardware, including micro-processors;
 - (2)** Computer application software;
 - (3)** Computer operating systems and related software;
 - (4)** Computer networks;
 - (5)** Microprocessors (computer chips) not part of any computer system; or
 - (6)** Any other computerized or electronic equipment or components; or
 - b.** Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **A.1.a.** of this endorsement;

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.
 - 2.** Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **A.1.** of this endorsement.
- B.** If an excluded Cause of Loss as described in Paragraph **A.** of this endorsement results:
- 1.** In a Covered Cause of Loss under the Crime and Fidelity Coverage Part or the Standard Property Policy; or
 - 2.** Under the Commercial Property Coverage Part:
 - a.** In a "Specified Cause of Loss", or in elevator collision resulting from mechanical breakdown, under the Causes of Loss – Special Form; or
 - b.** In a Covered Cause of Loss under the Causes Of Loss – Basic Form or the Causes Of Loss – Broad Form;

we will pay only for the loss ("loss") or damage caused by such "Specified Cause of Loss", elevator collision, or Covered Cause of Loss.
- C.** We will not pay for repair, replacement or modification of any items in Paragraphs **A.1.a.** and **A.1.b.** of this endorsement to correct any deficiencies or change any features.

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy (except Businessowners and Inland Marine) are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and
- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

West Bend Mutual Insurance Company
West Bend, Wisconsin 53095

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IL 01 18 02 17

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**ILLINOIS CHANGES**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 FARM COVERAGE PART
 STANDARD PROPERTY POLICY

A. When this endorsement is attached to Standard Property Policy **CP 00 99**, the terms Coverage Part and Coverage Form in this endorsement are replaced by the term Policy.

B. The following is added to the **Legal Action Against Us** Condition:

The two year period for legal action against us is extended by the number of days between the date the proof of loss is filed with us and the date we deny the claim in whole or in part.

C. If this policy covers:

1. The following in **a.** and **b.**, then Paragraphs **2.** and **3.** apply:

- a.** Real property used principally for residential purposes up to and including a four family dwelling; or
- b.** Household or personal property that is usual or incidental to the occupancy of any premises used for residential purposes.

2. The second paragraph of the **Appraisal** Condition is deleted and replaced by the following:

- a.** Each party will pay its own appraiser and bear the other expenses of the appraisal and umpire equally, except as provided in **b.** below.
- b.** We will pay your appraiser's fee and the umpire's appraisal fee, if the following conditions exist:
 - (1)** You demanded the appraisal; and
 - (2)** The full amount of loss, as set by your appraiser, is agreed to by our appraiser or by the umpire.

3. The **Concealment, Misrepresentation Or Fraud** Condition is replaced by the following:

Concealment, Misrepresentation Or Fraud

a. This Coverage Part or Coverage Form is void if you or any insured ("insured") commit fraud or conceal or misrepresent a fact in the process leading to the issuance of this insurance, and such fraud, concealment or misrepresentation is stated in the policy or endorsement or in the written application for this policy and:

- (1)** Was made with actual intent to deceive; or
- (2)** Materially affected either our decision to provide this insurance or the hazard we assumed.

However, this condition will not serve as a reason to void this Coverage Part or Coverage Form after the Coverage Part or Coverage Form has been in effect for one year or one policy term, whichever is less.

b. We do not provide coverage under this Coverage Part or Coverage Form to you or any other insured ("insured") who, at any time subsequent to the issuance of this insurance, commit fraud or intentionally conceal or misrepresent a material fact relating to:

- (1)** This Coverage Part or Coverage Form;
- (2)** The Covered Property;
- (3)** Your interest in the Covered Property; or
- (4)** A claim under this Coverage Part or Coverage Form.

c. Notwithstanding the limitations stated in **3.a.** above, we may cancel the Coverage Part or Coverage Form in accordance with the terms of the Cancellation Condition.

D. For the Commercial Property Coverage Part and the Standard Property Policy, the following exclusion and related provisions are added to Paragraph B.2. Exclusions in the Causes of Loss Forms and to any Coverage Form or policy to which a Causes of Loss Form is not attached:

1. We will not pay for loss or damage arising out of any act an insured commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no insured is entitled to coverage, even insureds who did not commit or conspire to commit the act causing the loss.

2. However, this exclusion will not apply to deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if:

- a. The loss arose out of a pattern of criminal domestic violence; and
- b. The perpetrator of the loss is criminally prosecuted for the act causing the loss.

3. If we pay a claim pursuant to Paragraph D.2., our payment to the insured is limited to that insured's insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

E. The **Intentional Loss Exclusion** in the Causes of Loss Form – Farm Property, Mobile Agricultural Machinery And Equipment Coverage Form and Livestock Coverage Form is replaced by the following:

1. We will not pay for loss ("loss") or damage arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss ("loss").

In the event of such loss ("loss"), no "insured" is entitled to coverage, even "insureds" who did not commit or conspire to commit the act causing the loss ("loss").

2. However, this exclusion will not apply to deny payment to an innocent co-"insured" who did not cooperate in or contribute to the creation of the loss ("loss") if:

- a. The loss ("loss") arose out of a pattern of criminal domestic violence; and
- b. The perpetrator of the loss ("loss") is criminally prosecuted for the act causing the loss.

3. If we pay a claim pursuant to Paragraph E.2., our payment to the "insured" is limited to that "insured's" insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

F. The **Intentional Loss Exclusion** in the Capital Assets Program (Output Policy) Coverage Part, is replaced by the following:

1. We will not pay for loss or damage arising out of any act an insured commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no insured is entitled to coverage, even insureds who did not commit or conspire to commit the act causing the loss.

2. However, this exclusion will not apply to deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if:

- a. The loss arose out of a pattern of criminal domestic violence; and
- b. The perpetrator of the loss is criminally prosecuted for the act causing the loss.

3. If we pay a claim pursuant to Paragraph F.2., our payment to the insured is limited to that insured's insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**ILLINOIS CHANGES – DEFENSE COSTS**

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
 COMMERCIAL GENERAL LIABILITY COVERAGE PART
 COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART – LEGAL LIABILITY COVERAGE FORM
 COMMERCIAL PROPERTY COVERAGE PART – MORTGAGEHOLDERS ERRORS AND OMISSIONS
 COVERAGE FORM
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
 FARM COVERAGE PART
 FARM UMBRELLA LIABILITY POLICY
 LIQUOR LIABILITY COVERAGE PART
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
 POLLUTION LIABILITY COVERAGE PART
 PRODUCT WITHDRAWAL COVERAGE PART
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
 RAILROAD PROTECTIVE LIABILITY COVERAGE PART
 UNDERGROUND STORAGE TANK COVERAGE PART

A. The provisions of Paragraph **B.** are added to all Insuring Agreements that set forth a duty to defend under:

1. Section **I** of the Commercial General Liability, Commercial Liability Umbrella, Employment-related Practices Liability, Farm, Liquor Liability, Owners And Contractors Protective Liability, Pollution Liability, Products/Completed Operations Liability, Product Withdrawal, Medical Professional Liability, Railroad Protective Liability, Underground Storage Tank Coverage Parts, Auto Dealers Coverage Form and the Farm Umbrella Liability Policy;
2. Section **II** under the Auto Dealers, Business Auto and Motor Carrier Coverage Forms;
3. Section **III** under the Auto Dealers and Motor Carrier Coverage Forms;
4. Section **A.** Coverage under the Legal Liability Coverage Form; and

5. Coverage **C** – Mortgageholder's Liability under the Mortgageholders Errors And Omissions Coverage Form.

Paragraph **B.** also applies to any other provision in the policy that sets forth a duty to defend.

B. If we initially defend an insured ("insured") or pay for an insured's ("insured's") defense but later determine that the claim(s) is (are) not covered under this insurance, we will have the right to reimbursement for the defense costs we have incurred.

The right to reimbursement for the defense costs under this provision will only apply to defense costs we have incurred after we notify you in writing that there may not be coverage, and that we are reserving our rights to terminate the defense and seek reimbursement for defense costs.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
FARM COVERAGE PART

- A.** The **Cancellation** Common Policy Condition is replaced by the following:

Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing to us advance written notice of cancellation.
2. If this policy has been in effect for 60 days or less, except as provided in Paragraphs **8.** and **9.** below, we may cancel this policy by mailing written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. If this policy has been in effect for more than 60 days, except as provided in Paragraphs **8.** and **9.** below, we may cancel this policy only for one or more of the following reasons:
 - a. Nonpayment of premium;
 - b. The policy was obtained through a material misrepresentation;
 - c. You have violated any of the terms and conditions of the policy;
 - d. The risk originally accepted has measurably increased;
 - e. Certification to the Director of Insurance of the loss of reinsurance by the insurer which provided coverage to us for all or a substantial part of the underlying risk insured; or

- f. A determination by the Director that the continuation of the policy could place us in violation of the insurance laws of this State.

If we cancel this policy based on one or more of the above reasons except for nonpayment of premium, we will mail written notice at least 60 days before the effective date of cancellation. When cancellation is for nonpayment of premium, we will mail written notice at least 10 days before the effective date of cancellation.

4. We will mail our notice to you, together with our reason for cancellation, at your last mailing address known to us. Proof of mailing will be sufficient proof of notice.
5. Notification of cancellation will also be sent to your broker, if known, or agent of record, if known, and to the mortgagee or lienholder listed on the policy.
6. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
7. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

8. Real Property Other Than Residential Properties Occupied By Four Families Or Less

The following applies only if this policy covers real property other than residential property occupied by four families or less:

If any one or more of the following conditions exists at any building that is Covered Property in this policy, we may cancel this policy by mailing to you written notice of cancellation, by both certified and regular mail, if:

- a. After a fire loss, permanent repairs to the building have not started within 60 days of satisfactory adjustment of loss, unless the delay is due to a labor dispute or weather conditions.
- b. The building has been unoccupied 60 or more consecutive days. This does not apply to:
 - (1) Seasonal unoccupancy; or
 - (2) Buildings under repair, construction or reconstruction, if properly secured against unauthorized entry.
- c. The building has:
 - (1) An outstanding order to vacate;
 - (2) An outstanding demolition order; or
 - (3) Been declared unsafe in accordance with the law.
- d. Heat, water, sewer service or public lighting have not been connected to the building for 30 consecutive days or more.

The policy will terminate 10 days following receipt of the written notice by the named insured(s).

9. Residential Properties Occupied By Four Families Or Less

The following applies if this policy covers residential properties occupied by four families or less:

If this policy has been in effect for 60 days, or if this is a renewal policy, we may only cancel this policy for one or more of the following reasons:

- a. Nonpayment of premium;
- b. The policy was obtained by misrepresentation or fraud; or
- c. Any act that measurably increases the risk originally accepted.

If we cancel this policy based on one or more of the above reasons except for nonpayment of premium, we will mail written notice at least 30 days before the effective date of cancellation. When cancellation is for nonpayment of premium, we will mail written notice at least 10 days before the effective date of cancellation.

10. For insurance provided under the Commercial Property Coverage Part and the Capital Assets Program (Output Policy) Coverage Part, the following applies:

Grain In Public Grain Warehouses

(Not applicable to grain owned by the Commodity Credit Corporation)

The following applies only with respect to grain in public grain warehouses:

The first Named Insured or we may cancel this policy at any time by mailing to:

- a. The other; and
 - b. The Director of the Illinois Department of Agriculture (at its Springfield Office);
- 60 days' written notice of cancellation.

- B. The following is added:

Nonrenewal

1. If we decide not to renew or continue this policy, we will mail you written notice, stating the reason for nonrenewal. Proof of mailing will be sufficient proof of notice.
2. Except as provided in Paragraph 6. below, we will mail you notice of nonrenewal at least 60 days before the end of the policy period.
3. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.
4. If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this policy will end on the effective date of that insurance.
5. The following provision applies to policies other than those described in Paragraph 6.:

Notification of nonrenewal will also be sent to your broker, if known, or agent of record, if known, and the mortgagee or lienholder listed on the policy.

6. The following provision applies only if this policy covers residential properties occupied by four families or less:

a. If this policy has been issued to you and in effect with us for five or more years, we may not fail to renew this policy unless:

(1) The policy was obtained by misrepresentation or fraud and we mail you notice of nonrenewal at least 30 days before the end of the policy period as provided in 1. above;

(2) The risk originally accepted has measurably increased and we mail you notice of nonrenewal at least 30 days before the end of the policy period as provided in 1. above; or

(3) You received 60 days' notice of our intent not to renew as provided in 1. above.

b. If this policy has been issued to you and in effect with us for less than five years, we may not fail to renew this policy unless you received 30 days' notice as provided in 1. above.

c. Notification of nonrenewal will also be sent to your broker, if known, or agent of record, if known, and to the last known mortgagee or lienholder.

d. The nonrenewal shall not become effective until at least 30 days from the proof of mailing date of the notice to you.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

- (1)** With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2)** Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

- (1)** The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;
- (2)** The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
- (3)** The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

(c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – CIVIL UNION

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
FARM COVERAGE PART
FARM UMBRELLA LIABILITY POLICY
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

- A.** The term "spouse" is replaced by the following:
Spouse or party to a civil union recognized under Illinois law.
- B.** Under the Commercial Auto Coverage Part, the term "family member" is replaced by the following:
"Family member" means a person related to the:
1. Individual Named Insured by blood, adoption, marriage or civil union recognized under Illinois law, who is a resident of such Named Insured's household, including a ward or foster child; or
 2. Individual named in the Schedule by blood, adoption, marriage or civil union recognized under Illinois law, who is a resident of the individual's household, including a ward or foster child, if the Drive Other Car Coverage – Broadened Coverage For Named Individual Endorsement is attached.
- C.** With respect to coverage for the ownership, maintenance, or use of "covered autos" provided under the Commercial Liability Umbrella Coverage Part, the term "family member" is replaced by the following:
"Family member" means a person related to you by blood, adoption, marriage or civil union recognized under Illinois law, who is a resident of your household, including a ward or foster child.



Endorsement

Commercial Property Coverage Declarations**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

12778

Description of Location or Premises

Loc	Bldg	Building and Occupancy Description	Construction	Protection Class
1	1	Building #1 - Shop [0932] Automobile Repair or Service Shops - Auto glass replacement, battery replacement, brake adjustment, tire changing, tune ups (points, plugs and carburetor adjustment) oil changing, lubrications, speedometer adjustments and similar services.	Joisted Masonry	01
2	1	Building #1 - Shop/Storage/Office [0932] Automobile Repair or Service Shops - Auto glass replacement, battery replacement, brake adjustment, tire changing, tune ups (points, plugs and carburetor adjustment) oil changing, lubrications, speedometer adjustments and similar services.	Masonry Non-Combustible	01



Endorsement

Commercial Property Coverage Declarations**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

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Commercial Property Coverage Schedule

Loc	Bldg	Type	Limit of Insurance	Coinsurance	Cause Of Loss	Premium
1	1	Building	\$1,060,400	100%	Special	\$1,509
		Replacement Cost				
		Agreed Value				
		Agreed Value Expiration Date:				
		12/01/2023				
		Deductible - \$5,000				
Loc	Bldg	Type	Limit of Insurance	Coinsurance	Cause Of Loss	Premium
1	1	Business Personal Property	\$92,000	100%	Special	\$333
		Replacement Cost				
		Agreed Value				
		Agreed Value Expiration Date:				
		12/01/2023				
		Deductible - \$5,000				
Loc	Bldg	Type	Limit of Insurance	Coinsurance	Cause Of Loss	Premium
1	1	Business Income Including Rental Value & Extra Expense - Not to Exceed 12 Consecutive Months	Actual Loss Sustained	Waived	Special	\$293
		Time Period - no waiting				
		Extended Period of Indemnity - 90 Days				
		Ordinance or Law - Increased Period of Restoration				



Endorsement

Commercial Property Coverage Declarations**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

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Loc	Bldg	Type	Limit of Insurance	Coinsurance	Cause Of Loss	Premium
2	1	Building	\$3,747,347	100%	Special	\$3,095

Replacement Cost

Agreed Value

Agreed Value Expiration Date:
12/01/2023

Deductible - \$5,000

Loc	Bldg	Type	Limit of Insurance	Coinsurance	Cause Of Loss	Premium
2	1	Business Personal Property	\$250,000	100%	Special	\$637

Replacement Cost

Agreed Value

Agreed Value Expiration Date:
12/01/2023

Deductible - \$5,000

Loc	Bldg	Type	Limit of Insurance	Coinsurance	Cause Of Loss	Premium
2	1	Business Income Including Rental Value & Extra Expense - Not to Exceed 12 Consecutive Months	Actual Loss Sustained	Waived	Special	\$546

Time Period - no waiting

Extended Period of Indemnity - 90 Days

Ordinance or Law - Increased Period of Restoration

See attached Forms Schedule for forms and endorsements applicable to this coverage.



Endorsement

Commercial Property Endorsements and Miscellaneous Premiums**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076**Agency Name and Address:**ROBERTSON-RYAN & ASSOC INC
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Endorsements – Applicable to All Locations

Description	Form Number	Premium
Equipment Breakdown	WB34	\$491
Property Additional Coverages and Coverage Extensions Endorsement – Essential	WB2906	\$450
Cyber Suite	WB2843	\$294
Water Backup, Sump Pump Overflow	WB1337	\$250

Endorsements – Applicable to a Specific Location

Loc	Bldg	Description	Form Number	Premium
1	1	Utility Services - Time Element	CP1545	Included
2	1	Utility Services - Time Element	CP1545	Included

Miscellaneous Premiums

Description	Form Number	Premium
Terrorism Risk Insurance Act		\$280
Terrorism Risk Insurance Act (Fire Only)		\$162
Total Commercial Property Premium:		\$8,178

See attached Forms Schedule for forms and endorsements applicable to this coverage.



Endorsement

Commercial Property Additional Interest Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

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7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
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Additional Interest Schedule

Loc	Name and Address	Reference/Loan Number	Interest
2	St. Charles Bank & Trust 411 W Main St Saint Charles, IL 60174-1815		Mortgageholder



Endorsement

Commercial Property Forms Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

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7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

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Forms Schedule

Number	Edition	Description
CP0010	1012	BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CP0030	1012	BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
CP0090	0788	COMMERCIAL PROPERTY CONDITIONS
CP0140	0706	EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA
CP0401	1000	BRANDS AND LABELS
CP1030	0917	CAUSES OF LOSS - SPECIAL FORM
CP1075	1220	CYBER INCIDENT EXCLUSION
CP1218	1012	LOSS PAYABLE PROVISIONS
CP1531	0917	ORDINANCE OR LAW - INCREASED PERIOD OF RESTORATION
CP1545	0917	UTILITY SERVICES - TIME ELEMENT
CP1556	0607	BUSINESS INCOME CHANGES - BEGINNING OF THE PERIOD OF RESTORATION
WB1337	0118	WATER BACK UP, SUMP PUMP OVERFLOW
WB2186	1205	BUSINESS INCOME COVERAGE - ACTUAL LOSS SUSTAINED (TWELVE MONTH LIMITATION)
WB2906	1220	PROPERTY ADDITIONAL COVERAGES AND COVERAGE EXTENSIONS ENDORSEMENT
WB34	0118	EQUIPMENT BREAKDOWN COVERAGE ENDORSEMENT



Endorsement

Commercial Property Forms Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

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Forms Schedule

Number	Edition	Description
WB539	0414	AUTOMATIC BUILDING VALUE INCREASE
WB898	0118	YOUR BUSINESS PERSONAL PROPERTY AMENDMENT TENANT GLASS
WB2843	0819	CYBER SUITE COVERAGE ENDORSEMENT (CLAIMS-MADE THIRD PARTY)
CP0149	0607	ILLINOIS CHANGES - ARTIFICIALLY GENERATED ELECTRICAL CURRENT EXCLUSION
WB2844	0819	ILLINOIS CHANGES AMENDATORY ENDORSEMENT

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section H. Definitions.

A. Coverage

We will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.

1. Covered Property

Covered Property, as used in this Coverage Part, means the type of property described in this section, **A.1.**, and limited in **A.2.** Property Not Covered, if a Limit Of Insurance is shown in the Declarations for that type of property.

a. Building, meaning the building or structure described in the Declarations, including:

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures;
- (3) Permanently installed:
 - (a) Machinery; and
 - (b) Equipment;
- (4) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:
 - (a) Fire-extinguishing equipment;
 - (b) Outdoor furniture;
 - (c) Floor coverings; and
 - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- (5) If not covered by other insurance:
 - (a) Additions under construction, alterations and repairs to the building or structure;
 - (b) Materials, equipment, supplies and temporary structures, on or within 100 feet of the described premises, used for making additions, alterations or repairs to the building or structure.

b. Your Business Personal Property

consists of the following property located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or structure or within 100 feet of the premises described in the Declarations, whichever distance is greater:

- (1) Furniture and fixtures;
- (2) Machinery and equipment;
- (3) "Stock";
- (4) All other personal property owned by you and used in your business;
- (5) Labor, materials or services furnished or arranged by you on personal property of others;
- (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - (a) Made a part of the building or structure you occupy but do not own; and
 - (b) You acquired or made at your expense but cannot legally remove;
- (7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property Of Others.

c. Personal Property Of Others that is:

- (1) In your care, custody or control; and
- (2) Located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or structure or within 100 feet of the premises described in the Declarations, whichever distance is greater.

However, our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

2. Property Not Covered

Covered Property does not include:

- a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;
- b. Animals, unless owned by others and boarded by you, or if owned by you, only as "stock" while inside of buildings;
- c. Automobiles held for sale;
- d. Bridges, roadways, walks, patios or other paved surfaces;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. The cost of excavations, grading, backfilling or filling;
- g. Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - (1) The lowest basement floor; or
 - (2) The surface of the ground, if there is no basement;
- h. Land (including land on which the property is located), water, growing crops or lawns (other than lawns which are part of a vegetated roof);
- i. Personal property while airborne or waterborne;
- j. Bulkheads, pilings, piers, wharves or docks;
- k. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
- l. Retaining walls that are not part of a building;
- m. Underground pipes, flues or drains;
- n. Electronic data, except as provided under the Additional Coverage, Electronic Data. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data. This paragraph, n., does not apply to your "stock" of prepackaged software, or to electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system;
- o. The cost to replace or restore the information on valuable papers and records, including those which exist as electronic data. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valuable Papers And Records (Other Than Electronic Data) for limited coverage for valuable papers and records other than those which exist as electronic data;
- p. Vehicles or self-propelled machines (including aircraft or watercraft) that:
 - (1) Are licensed for use on public roads; or
 - (2) Are operated principally away from the described premises.

This paragraph does not apply to:

 - (a) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;

- (b) Vehicles or self-propelled machines, other than autos, you hold for sale;
 - (c) Rowboats or canoes out of water at the described premises; or
 - (d) Trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers; or
- q. The following property while outside of buildings:
- (1) Grain, hay, straw or other crops;
 - (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), all except as provided in the Coverage Extensions.

3. Covered Causes Of Loss

See applicable Causes Of Loss form as shown in the Declarations.

4. Additional Coverages

a. Debris Removal

- (1) Subject to Paragraphs (2), (3) and (4), we will pay your expense to remove debris of Covered Property and other debris that is on the described premises, when such debris is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
 - (2) Debris Removal does not apply to costs to:
 - (a) Remove debris of property of yours that is not insured under this policy, or property in your possession that is not Covered Property;
 - (b) Remove debris of property owned by or leased to the landlord of the building where your described premises are located, unless you have a contractual responsibility to insure such property and it is insured under this policy;
 - (c) Remove any property that is Property Not Covered, including property addressed under the Outdoor Property Coverage Extension;
 - (d) Remove property of others of a type that would not be Covered Property under this Coverage Form;
 - (e) Remove deposits of mud or earth from the grounds of the described premises;
 - (f) Extract "pollutants" from land or water; or
 - (g) Remove, restore or replace polluted land or water.
- (3) Subject to the exceptions in Paragraph (4), the following provisions apply:
- (a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
 - (b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage. However, if no Covered Property has sustained direct physical loss or damage, the most we will pay for removal of debris of other property (if such removal is covered under this Additional Coverage) is \$5,000 at each location.
- (4) We will pay up to an additional \$25,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:
- (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
 - (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if (4)(a) and/or (4)(b) applies, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$25,000.

(5) Examples

The following examples assume that there is no Coinsurance penalty.

Example 1

Limit of Insurance:	\$ 90,000
Amount of Deductible:	\$ 500
Amount of Loss:	\$ 50,000
Amount of Loss Payable:	\$ 49,500
	(\$50,000 – \$500)
Debris Removal Expense:	\$ 10,000
Debris Removal Expense Payable:	\$ 10,000
	(\$10,000 is 20% of \$50,000.)

The debris removal expense is less than 25% of the sum of the loss payable plus the deductible. The sum of the loss payable and the debris removal expense (\$49,500 + \$10,000 = \$59,500) is less than the Limit of Insurance. Therefore, the full amount of debris removal expense is payable in accordance with the terms of Paragraph (3).

Example 2

Limit of Insurance:	\$ 90,000
Amount of Deductible:	\$ 500
Amount of Loss:	\$ 80,000
Amount of Loss Payable:	\$ 79,500
	(\$80,000 – \$500)
Debris Removal Expense:	\$ 40,000
Debris Removal Expense Payable	
Basic Amount:	\$ 10,500
Additional Amount:	\$ 25,000

The basic amount payable for debris removal expense under the terms of Paragraph (3) is calculated as follows: \$80,000 (\$79,500 + \$500) x .25 = \$20,000, capped at \$10,500. The cap applies because the sum of the loss payable (\$79,500) and the basic amount payable for debris removal expense (\$10,500) cannot exceed the Limit of Insurance (\$90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense (\$40,000) exceeds 25% of the loss payable plus the deductible (\$40,000 is 50% of \$80,000), and because the sum of the loss payable and debris removal expense (\$79,500 + \$40,000 = \$119,500) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$25,000, the maximum payable under Paragraph (4). Thus, the total payable for debris removal expense in this example is \$35,500; \$4,500 of the debris removal expense is not covered.

b. Preservation Of Property

If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the loss or damage occurs within 30 days after the property is first moved.

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$1,000 for service at each premises described in the Declarations, unless a higher limit is shown in the Declarations. Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

This Additional Coverage applies to your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

No Deductible applies to this Additional Coverage.

d. Pollutant Clean-up And Removal

We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each described premises is \$10,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

e. Increased Cost Of Construction

- (1) This Additional Coverage applies only to buildings to which the Replacement Cost Optional Coverage applies.
- (2) In the event of damage by a Covered Cause of Loss to a building that is Covered Property, we will pay the increased costs incurred to comply with the minimum standards of an ordinance or law in the course of repair, rebuilding or replacement of damaged parts of that property, subject to the limitations stated in **e.(3)** through **e.(9)** of this Additional Coverage.
- (3) The ordinance or law referred to in **e.(2)** of this Additional Coverage is an ordinance or law that regulates the construction or repair of buildings or establishes zoning or land use requirements at the described premises and is in force at the time of loss.
- (4) Under this Additional Coverage, we will not pay any costs due to an ordinance or law that:
 - (a) You were required to comply with before the loss, even when the building was undamaged; and
 - (b) You failed to comply with.

(5) Under this Additional Coverage, we will not pay for:

- (a) The enforcement of or compliance with any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
 - (b) Any costs associated with the enforcement of or compliance with an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.
- (6) The most we will pay under this Additional Coverage, for each described building insured under this Coverage Form, is \$10,000 or 5% of the Limit of Insurance applicable to that building, whichever is less. If a damaged building is covered under a blanket Limit of Insurance which applies to more than one building or item of property, then the most we will pay under this Additional Coverage, for that damaged building, is the lesser of \$10,000 or 5% times the value of the damaged building as of the time of loss times the applicable Coinsurance percentage.
- The amount payable under this Additional Coverage is additional insurance.
- (7) With respect to this Additional Coverage:
- (a) We will not pay for the Increased Cost of Construction:
 - (i) Until the property is actually repaired or replaced at the same or another premises; and
 - (ii) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

(b) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of **e.(6)** of this Additional Coverage, is the increased cost of construction at the same premises.

(c) If the ordinance or law requires relocation to another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of **e.(6)** of this Additional Coverage, is the increased cost of construction at the new premises.

(8) This Additional Coverage is not subject to the terms of the Ordinance Or Law Exclusion to the extent that such Exclusion would conflict with the provisions of this Additional Coverage.

(9) The costs addressed in the Loss Payment and Valuation Conditions and the Replacement Cost Optional Coverage, in this Coverage Form, do not include the increased cost attributable to enforcement of or compliance with an ordinance or law. The amount payable under this Additional Coverage, as stated in **e.(6)** of this Additional Coverage, is not subject to such limitation.

f. Electronic Data

(1) Under this Additional Coverage, electronic data has the meaning described under Property Not Covered, Electronic Data. This Additional Coverage does not apply to your "stock" of prepackaged software, or to electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system.

(2) Subject to the provisions of this Additional Coverage, we will pay for the cost to replace or restore electronic data which has been destroyed or corrupted by a Covered Cause of Loss. To the extent that electronic data is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the electronic data was stored, with blank media of substantially identical type.

(3) The Covered Causes of Loss applicable to Your Business Personal Property apply to this Additional Coverage, Electronic Data, subject to the following:

(a) If the Causes Of Loss – Special Form applies, coverage under this Additional Coverage, Electronic Data, is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.

(b) If the Causes Of Loss – Broad Form applies, coverage under this Additional Coverage, Electronic Data, includes Collapse as set forth in that form.

(c) If the Causes Of Loss form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage, Electronic Data.

(d) The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for loss or damage caused by or resulting from manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.

- (4) The most we will pay under this Additional Coverage, Electronic Data, is \$2,500 (unless a higher limit is shown in the Declarations) for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

5. Coverage Extensions

Except as otherwise provided, the following Extensions apply to property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

If a Coinsurance percentage of 80% or more, or a Value Reporting period symbol, is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

a. Newly Acquired Or Constructed Property

(1) Buildings

If this policy covers Building, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at locations, other than the described premises, intended for:
 - (i) Similar use as the building described in the Declarations; or
 - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$250,000 at each building.

(2) Your Business Personal Property

- (a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:

- (i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions; or
- (ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations.

The most we will pay for loss or damage under this Extension is \$100,000 at each building.

- (b) This Extension does not apply to:

- (i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or
- (ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period Of Coverage

With respect to insurance provided under this Coverage Extension for Newly Acquired Or Constructed Property, coverage will end when any of the following first occurs:

- (a) This policy expires;
- (b) 30 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

b. Personal Effects And Property Of Others

You may extend the insurance that applies to Your Business Personal Property to apply to:

- (1) Personal effects owned by you, your officers, your partners or members, your managers or your employees. This Extension does not apply to loss or damage by theft.
- (2) Personal property of others in your care, custody or control.

The most we will pay for loss or damage under this Extension is \$2,500 at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

c. Valuable Papers And Records (Other Than Electronic Data)

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered, Electronic Data.
- (2) If the Causes Of Loss – Special Form applies, coverage under this Extension is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.
- (3) If the Causes Of Loss – Broad Form applies, coverage under this Extension includes Collapse as set forth in that form.
- (4) Under this Extension, the most we will pay to replace or restore the lost information is \$2,500 at each described premises, unless a higher limit is shown in the Declarations. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist) and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and, therefore, coverage of such costs is not additional insurance.

d. Property Off-premises

- (1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:
 - (a) Temporarily at a location you do not own, lease or operate;
 - (b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
 - (c) At any fair, trade show or exhibition.
- (2) This Extension does not apply to property:
 - (a) In or on a vehicle; or
 - (b) In the care, custody or control of your salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.
- (3) The most we will pay for loss or damage under this Extension is \$10,000.

e. Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, radio and television antennas (including satellite dishes), trees, shrubs and plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or Civil Commotion; or
- (5) Aircraft.

The most we will pay for loss or damage under this Extension is \$1,000, but not more than \$250 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

Subject to all aforementioned terms and limitations of coverage, this Coverage Extension includes the expense of removing from the described premises the debris of trees, shrubs and plants which are the property of others, except in the situation in which you are a tenant and such property is owned by the landlord of the described premises.

f. Non-owned Detached Trailers

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:
 - (a) The trailer is used in your business;
 - (b) The trailer is in your care, custody or control at the premises described in the Declarations; and
 - (c) You have a contractual responsibility to pay for loss or damage to the trailer.
- (2) We will not pay for any loss or damage that occurs:
 - (a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;
 - (b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.
- (3) The most we will pay for loss or damage under this Extension is \$5,000, unless a higher limit is shown in the Declarations.
- (4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

g. Business Personal Property Temporarily In Portable Storage Units

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to such property while temporarily stored in a portable storage unit (including a detached trailer) located within 100 feet of the building or structure described in the Declarations or within 100 feet of the premises described in the Declarations, whichever distance is greater.

- (2) If the applicable Covered Causes of Loss form or endorsement contains a limitation or exclusion concerning loss or damage from sand, dust, sleet, snow, ice or rain to property in a structure, such limitation or exclusion also applies to property in a portable storage unit.
- (3) Coverage under this Extension:
 - (a) Will end 90 days after the business personal property has been placed in the storage unit;
 - (b) Does not apply if the storage unit itself has been in use at the described premises for more than 90 consecutive days, even if the business personal property has been stored there for 90 or fewer days as of the time of loss or damage.
- (4) Under this Extension, the most we will pay for the total of all loss or damage to business personal property is \$10,000 (unless a higher limit is indicated in the Declarations for such Extension) regardless of the number of storage units. Such limit is part of, not in addition to, the applicable Limit of Insurance on Your Business Personal Property. Therefore, payment under this Extension will not increase the applicable Limit of Insurance on Your Business Personal Property.
- (5) This Extension does not apply to loss or damage otherwise covered under this Coverage Form or any endorsement to this Coverage Form or policy, and does not apply to loss or damage to the storage unit itself.

Each of these Extensions is additional insurance unless otherwise indicated. The Additional Condition, Coinsurance, does not apply to these Extensions.

B. Exclusions And Limitations

See applicable Causes Of Loss form as shown in the Declarations.

C. Limits Of Insurance

The most we will pay for loss or damage in any one occurrence is the applicable Limit Of Insurance shown in the Declarations.

The most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to a building, is \$2,500 per sign in any one occurrence.

The amounts of insurance stated in the following Additional Coverages apply in accordance with the terms of such coverages and are separate from the Limit(s) Of Insurance shown in the Declarations for any other coverage:

1. Fire Department Service Charge;
2. Pollutant Clean-up And Removal;
3. Increased Cost Of Construction; and
4. Electronic Data.

Payments under the Preservation Of Property Additional Coverage will not increase the applicable Limit of Insurance.

D. Deductible

In any one occurrence of loss or damage (hereinafter referred to as loss), we will first reduce the amount of loss if required by the Coinsurance Condition or the Agreed Value Optional Coverage. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss and will pay the resulting amount or the Limit of Insurance, whichever is less.

When the occurrence involves loss to more than one item of Covered Property and separate Limits of Insurance apply, the losses will not be combined in determining application of the Deductible. But the Deductible will be applied only once per occurrence.

Example 1

(This example assumes there is no Coinsurance penalty.)

Deductible:	\$ 250
Limit of Insurance – Building 1:	\$ 60,000
Limit of Insurance – Building 2:	\$ 80,000
Loss to Building 1:	\$ 60,100
Loss to Building 2:	\$ 90,000

The amount of loss to Building 1 (\$60,100) is less than the sum (\$60,250) of the Limit of Insurance applicable to Building 1 plus the Deductible.

The Deductible will be subtracted from the amount of loss in calculating the loss payable for Building 1:

$$\begin{array}{r} \$ 60,100 \\ - \quad 250 \\ \hline \end{array}$$

\$ 59,850 Loss Payable – Building 1

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of loss payable for Building 2. Loss payable for Building 2 is the Limit of Insurance of \$80,000.

Total amount of loss payable:

$$\$59,850 + \$80,000 = \$139,850$$

Example 2

(This example, too, assumes there is no Coinsurance penalty.)

The Deductible and Limits of Insurance are the same as those in Example 1.

Loss to Building 1:	\$ 70,000
(Exceeds Limit of Insurance plus Deductible)	
Loss to Building 2:	\$ 90,000
(Exceeds Limit of Insurance plus Deductible)	
Loss Payable – Building 1:	\$ 60,000
(Limit of Insurance)	
Loss Payable – Building 2:	\$ 80,000
(Limit of Insurance)	
Total amount of loss payable:	\$ 140,000

E. Loss Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

3. Duties In The Event Of Loss Or Damage

- a. You must see that the following are done in the event of loss or damage to Covered Property:

- (1) Notify the police if a law may have been broken.

- (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when and where the loss or damage occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
- (5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
- (6) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.
- Also, permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
- (7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (8) Cooperate with us in the investigation or settlement of the claim.
- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

4. Loss Payment

- a. In the event of loss or damage covered by this Coverage Form, at our option, we will either:
- (1) Pay the value of lost or damaged property;
 - (2) Pay the cost of repairing or replacing the lost or damaged property, subject to **b.** below;
 - (3) Take all or any part of the property at an agreed or appraised value; or
 - (4) Repair, rebuild or replace the property with other property of like kind and quality, subject to **b.** below.
- We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of the Valuation Condition in this Coverage Form or any applicable provision which amends or supersedes the Valuation Condition.
- b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.
- c. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- d. We will not pay you more than your financial interest in the Covered Property.
- e. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- f. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- g. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part, and:
- (1) We have reached agreement with you on the amount of loss; or
 - (2) An appraisal award has been made.

- h.** A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable policy provisions including Limits of Insurance, the Valuation and Coinsurance Conditions and all other provisions of this Loss Payment Condition. Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Transfer Of Rights Of Recovery Against Others To Us Condition in this policy.

5. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

6. Vacancy

a. Description Of Terms

- (1)** As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in **(1)(a)** and **(1)(b)** below:
- (a)** When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.

- (b)** When this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:

- (i)** Rented to a lessee or sublessee and used by the lessee or sublessee to conduct its customary operations; and/or
- (ii)** Used by the building owner to conduct customary operations.

- (2)** Buildings under construction or renovation are not considered vacant.

b. Vacancy Provisions

If the building where loss or damage occurs has been vacant for more than 60 consecutive days before that loss or damage occurs:

- (1)** We will not pay for any loss or damage caused by any of the following, even if they are Covered Causes of Loss:
- (a)** Vandalism;
- (b)** Sprinkler leakage, unless you have protected the system against freezing;
- (c)** Building glass breakage;
- (d)** Water damage;
- (e)** Theft; or
- (f)** Attempted theft.
- (2)** With respect to Covered Causes of Loss other than those listed in **b.(1)(a)** through **b.(1)(f)** above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

7. Valuation

We will determine the value of Covered Property in the event of loss or damage as follows:

- a.** At actual cash value as of the time of loss or damage, except as provided in **b.**, **c.**, **d.** and **e.** below.
- b.** If the Limit of Insurance for Building satisfies the Additional Condition, Coinsurance, and the cost to repair or replace the damaged building property is \$2,500 or less, we will pay the cost of building repairs or replacement.

The cost of building repairs or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

However, the following property will be valued at the actual cash value, even when attached to the building:

- (1) Awnings or floor coverings;
- (2) Appliances for refrigerating, ventilating, cooking, dishwashing or laundering; or
- (3) Outdoor equipment or furniture.
- c. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.
- d. Glass at the cost of replacement with safety-glazing material if required by law.
- e. Tenants' Improvements and Betterments at:
 - (1) Actual cash value of the lost or damaged property if you make repairs promptly.
 - (2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:
 - (a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - (b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.

- (3) Nothing if others pay for repairs or replacement.

F. Additional Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

1. Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies:

- a. We will not pay the full amount of any loss if the value of Covered Property at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for the property.

Instead, we will determine the most we will pay using the following steps:

- (1) Multiply the value of Covered Property at the time of loss by the Coinsurance percentage;
- (2) Divide the Limit of Insurance of the property by the figure determined in Step (1);
- (3) Multiply the total amount of loss, before the application of any deductible, by the figure determined in Step (2); and
- (4) Subtract the deductible from the figure determined in Step (3).

We will pay the amount determined in Step (4) or the Limit of Insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

Example 1 (Underinsurance)

When:	The value of the property is:	\$ 250,000
	The Coinsurance percentage for it is:	80%
	The Limit of Insurance for it is:	\$ 100,000
	The Deductible is:	\$ 250
	The amount of loss is:	\$ 40,000

Step (1): $\$250,000 \times 80\% = \$200,000$
(the minimum amount of insurance to meet your Coinsurance requirements)

Step (2): $\$100,000 \div \$200,000 = .50$

Step (3): $\$40,000 \times .50 = \$20,000$

Step (4): $\$20,000 - \$250 = \$19,750$

We will pay no more than \$19,750. The remaining \$20,250 is not covered.

Example 2 (Adequate Insurance)

When:	The value of the property is:	\$ 250,000
	The Coinsurance percentage for it is:	80%
	The Limit of Insurance for it is:	\$ 200,000
	The Deductible is:	\$ 250
	The amount of loss is:	\$ 40,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 ($\$250,000 \times 80\%$). Therefore, the Limit of Insurance in this example is adequate, and no penalty applies. We will pay no more than \$39,750 ($\$40,000$ amount of loss minus the deductible of \$250).

- b. If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

Example 3

When:	The value of the property is:	
	Building at Location 1:	\$ 75,000
	Building at Location 2:	\$ 100,000
	Personal Property at Location 2:	<u>\$ 75,000</u>
		\$ 250,000
	The Coinsurance percentage for it is:	90%
	The Limit of Insurance for Buildings and Personal Property at Locations 1 and 2 is:	\$ 180,000
	The Deductible is:	\$ 1,000
	The amount of loss is:	
	Building at Location 2:	\$ 30,000
	Personal Property at Location 2:	<u>\$ 20,000</u>
		\$ 50,000

Step (1): $\$250,000 \times 90\% = \$225,000$
(the minimum amount of insurance to meet your Coinsurance requirements and to avoid the penalty shown below)

Step (2): $\$180,000 \div \$225,000 = .80$

Step (3): $\$50,000 \times .80 = \$40,000$

Step (4): $\$40,000 - \$1,000 = \$39,000$

We will pay no more than \$39,000. The remaining \$11,000 is not covered.

2. Mortgageholders

- a. The term mortgageholder includes trustee.
- b. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
 - (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;

- (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All of the terms of this Coverage Part will then apply directly to the mortgageholder.

- e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:
 - (1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
 - (2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

- f. If we cancel this policy, we will give written notice to the mortgageholder at least:
 - (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- g. If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

G. Optional Coverages

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item:

1. Agreed Value

- a. The Additional Condition, Coinsurance, does not apply to Covered Property to which this Optional Coverage applies. We will pay no more for loss of or damage to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Agreed Value shown for it in the Declarations.

- b. If the expiration date for this Optional Coverage shown in the Declarations is not extended, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage expires.
- c. The terms of this Optional Coverage apply only to loss or damage that occurs:
 - (1) On or after the effective date of this Optional Coverage; and
 - (2) Before the Agreed Value expiration date shown in the Declarations or the policy expiration date, whichever occurs first.

2. Inflation Guard

- a. The Limit of Insurance for property to which this Optional Coverage applies will automatically increase by the annual percentage shown in the Declarations.
- b. The amount of increase will be:
 - (1) The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance, times
 - (2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), times
 - (3) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

Example

If: The applicable Limit of Insurance is: \$ 100,000
 The annual percentage increase is: 8%
 The number of days since the beginning of the policy year (or last policy change) is: 146
 The amount of increase is:
 $\$100,000 \times .08 \times 146 \div 365 =$ \$ 3,200

3. Replacement Cost

- a. Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Valuation Loss Condition of this Coverage Form.
- b. This Optional Coverage does not apply to:
 - (1) Personal property of others;
 - (2) Contents of a residence;
 - (3) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; or

- (4) "Stock", unless the Including "Stock" option is shown in the Declarations.

Under the terms of this Replacement Cost Optional Coverage, tenants' improvements and betterments are not considered to be the personal property of others.

- c. You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim for the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the loss or damage.
- d. We will not pay on a replacement cost basis for any loss or damage:
 - (1) Until the lost or damaged property is actually repaired or replaced; and
 - (2) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage.

With respect to tenants' improvements and betterments, the following also apply:

- (3) If the conditions in d.(1) and d.(2) above are not met, the value of tenants' improvements and betterments will be determined as a proportion of your original cost, as set forth in the Valuation Loss Condition of this Coverage Form; and
- (4) We will not pay for loss or damage to tenants' improvements and betterments if others pay for repairs or replacement.
- e. We will not pay more for loss or damage on a replacement cost basis than the least of (1), (2) or (3), subject to f. below:
 - (1) The Limit of Insurance applicable to the lost or damaged property;
 - (2) The cost to replace the lost or damaged property with other property:
 - (a) Of comparable material and quality; and
 - (b) Used for the same purpose; or
 - (3) The amount actually spent that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a new premises, the cost described in e.(2) above is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.

- f. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

4. Extension Of Replacement Cost To Personal Property Of Others

- a. If the Replacement Cost Optional Coverage is shown as applicable in the Declarations, then this Extension may also be shown as applicable. If the Declarations show this Extension as applicable, then Paragraph **3.b.(1)** of the Replacement Cost Optional Coverage is deleted and all other provisions of the Replacement Cost Optional Coverage apply to replacement cost on personal property of others.

- b. With respect to replacement cost on the personal property of others, the following limitation applies:

If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the lesser of the replacement cost of the property or the applicable Limit of Insurance.

H. Definitions

1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
2. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
3. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **F**. Definitions.

A. Coverage

1. Business Income

Business Income means the:

- a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
- b. Continuing normal operating expenses incurred, including payroll.

For manufacturing risks, Net Income includes the net sales value of production.

Coverage is provided as described and limited below for one or more of the following options for which a Limit Of Insurance is shown in the Declarations:

- (1) Business Income Including "Rental Value".
- (2) Business Income Other Than "Rental Value".
- (3) "Rental Value".

If option (1) above is selected, the term Business Income will include "Rental Value". If option (3) above is selected, the term Business Income will mean "Rental Value" only.

If Limits of Insurance are shown under more than one of the above options, the provisions of this Coverage Part apply separately to each.

We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at premises which are described in the Declarations and for which a Business Income Limit Of Insurance is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 100 feet of such premises.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of a building, your premises means:

- (a) The portion of the building which you rent, lease or occupy;
- (b) The area within 100 feet of the building or within 100 feet of the premises described in the Declarations, whichever distance is greater (with respect to loss of or damage to personal property in the open or personal property in a vehicle); and
- (c) Any area within the building or at the described premises, if that area services, or is used to gain access to, the portion of the building which you rent, lease or occupy.

2. Extra Expense

- a. Extra Expense Coverage is provided at the premises described in the Declarations only if the Declarations show that Business Income Coverage applies at that premises.
- b. Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

We will pay Extra Expense (other than the expense to repair or replace property) to:

- (1) Avoid or minimize the "suspension" of business and to continue operations at the described premises or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.

- (2) Minimize the "suspension" of business if you cannot continue "operations".

We will also pay Extra Expense to repair or replace property, but only to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Form.

3. Covered Causes Of Loss, Exclusions And Limitations

See applicable Causes Of Loss form as shown in the Declarations.

4. Additional Limitation – Interruption Of Computer Operations

- a. Coverage for Business Income does not apply when a "suspension" of "operations" is caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage, Interruption Of Computer Operations.
- b. Coverage for Extra Expense does not apply when action is taken to avoid or minimize a "suspension" of "operations" caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage, Interruption Of Computer Operations.
- c. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.
- d. This Additional Limitation does not apply when loss or damage to electronic data involves only electronic data which is integrated in and operates or controls a building's elevator, lighting, heating, ventilation, air conditioning or security system.

5. Additional Coverages

a. Civil Authority

In this Additional Coverage, Civil Authority, the described premises are premises to which this Coverage Form applies, as shown in the Declarations.

When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

- (1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property; and
- (2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority Coverage for Business Income will begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to four consecutive weeks from the date on which such coverage began.

Civil Authority Coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will end:

- (1) Four consecutive weeks after the date of that action; or
 - (2) When your Civil Authority Coverage for Business Income ends;
- whichever is later.

b. Alterations And New Buildings

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur due to direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss to:

- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and
- (3) Machinery, equipment, supplies or building materials located on or within 100 feet of the described premises and:
 - (a) Used in the construction, alterations or additions; or
 - (b) Incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations", the "period of restoration" for Business Income Coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

c. Extended Business Income**(1) Business Income Other Than "Rental Value"**

If the necessary "suspension" of your "operations" produces a Business Income loss payable under this policy, we will pay for the actual loss of Business Income you incur during the period that:

- (a) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (b) Ends on the earlier of:
 - (i) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical loss or damage had occurred; or
 - (ii) 60 consecutive days after the date determined in (1)(a) above.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

(2) "Rental Value"

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this policy, we will pay for the actual loss of "Rental Value" you incur during the period that:

- (a) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- (b) Ends on the earlier of:
 - (i) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or
 - (ii) 60 consecutive days after the date determined in (2)(a) above.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of "Rental Value" must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

d. Interruption Of Computer Operations

- (1) Under this Additional Coverage, electronic data has the meaning described under Additional Limitation – Interruption Of Computer Operations.

(2) Subject to all provisions of this Additional Coverage, you may extend the insurance that applies to Business Income and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of electronic data due to a Covered Cause of Loss. However, we will not provide coverage under this Additional Coverage when the Additional Limitation – Interruption Of Computer Operations does not apply based on Paragraph A.4.d. therein.

(3) With respect to the coverage provided under this Additional Coverage, the Covered Causes of Loss are subject to the following:

- (a) If the Causes Of Loss – Special Form applies, coverage under this Additional Coverage, Interruption Of Computer Operations, is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.
- (b) If the Causes Of Loss – Broad Form applies, coverage under this Additional Coverage, Interruption Of Computer Operations, includes Collapse as set forth in that form.
- (c) If the Causes Of Loss form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage, Interruption Of Computer Operations.
- (d) The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for an interruption related to manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, maintain, repair or replace that system.

(4) The most we will pay under this Additional Coverage, Interruption Of Computer Operations, is \$2,500 (unless a higher limit is shown in the Declarations) for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or the number of premises, locations or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or expense in a subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.

(5) This Additional Coverage, Interruption Of Computer Operations, does not apply to loss sustained or expense incurred after the end of the "period of restoration", even if the amount of insurance stated in (4) above has not been exhausted.

6. Coverage Extension

If a Coinsurance percentage of 50% or more is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

Newly Acquired Locations

- a. You may extend your Business Income and Extra Expense Coverages to apply to property at any location you acquire other than fairs or exhibitions.
- b. The most we will pay under this Extension, for the sum of Business Income loss and Extra Expense incurred, is \$100,000 at each location, unless a higher limit is shown in the Declarations.
- c. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:
 - (1) This policy expires;

(2) 30 days expire after you acquire or begin to construct the property; or

(3) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property.

The Additional Condition, Coinsurance, does not apply to this Extension.

B. Limits Of Insurance

The most we will pay for loss in any one occurrence is the applicable Limit Of Insurance shown in the Declarations.

Payments under the following coverages will not increase the applicable Limit of Insurance:

1. Alterations And New Buildings;
2. Civil Authority;
3. Extra Expense; or
4. Extended Business Income.

The amounts of insurance stated in the Interruption Of Computer Operations Additional Coverage and the Newly Acquired Locations Coverage Extension apply in accordance with the terms of those coverages and are separate from the Limit(s) Of Insurance shown in the Declarations for any other coverage.

C. Loss Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

1. Appraisal

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

2. Duties In The Event Of Loss

a. You must see that the following are done in the event of loss:

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the direct physical loss or damage. Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when and where the direct physical loss or damage occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
- (5) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

- (6) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
 - (7) Cooperate with us in the investigation or settlement of the claim.
 - (8) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.
- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

3. Loss Determination

- a. The amount of Business Income loss will be determined based on:
- (1) The Net Income of the business before the direct physical loss or damage occurred;
 - (2) The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
 - (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
 - (4) Other relevant sources of information, including:
 - (a) Your financial records and accounting procedures;
 - (b) Bills, invoices and other vouchers; and
 - (c) Deeds, liens or contracts.
- b. The amount of Extra Expense will be determined based on:
- (1) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
 - (a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
 - (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
 - (2) Necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

c. Resumption Of Operations

We will reduce the amount of your:

- (1) Business Income loss, other than Extra Expense, to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.
 - (2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.
- d. If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

4. Loss Payment

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part, and:

- a. We have reached agreement with you on the amount of loss; or
- b. An appraisal award has been made.

D. Additional Condition**COINSURANCE**

If a Coinsurance percentage is shown in the Declarations, the following condition applies in addition to the Common Policy Conditions and the Commercial Property Conditions.

We will not pay the full amount of any Business Income loss if the Limit of Insurance for Business Income is less than:

1. The Coinsurance percentage shown for Business Income in the Declarations; times
2. The sum of:
 - a. The Net Income (Net Profit or Loss before income taxes), and
 - b. Operating expenses, including payroll expenses,

that would have been earned or incurred (had no loss occurred) by your "operations" at the described premises for the 12 months following the inception, or last previous anniversary date, of this policy (whichever is later).

Instead, we will determine the most we will pay using the following steps:

- Step (1): Multiply the Net Income and operating expense for the 12 months following the inception, or last previous anniversary date, of this policy by the Coinsurance percentage;
- Step (2): Divide the Limit of Insurance for the described premises by the figure determined in Step (1); and
- Step (3): Multiply the total amount of loss by the figure determined in Step (2).

We will pay the amount determined in Step (3) or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

In determining operating expenses for the purpose of applying the Coinsurance condition, the following expenses, if applicable, shall be deducted from the total of all operating expenses:

- (1) Prepaid freight – outgoing;
- (2) Returns and allowances;
- (3) Discounts;
- (4) Bad debts;
- (5) Collection expenses;
- (6) Cost of raw stock and factory supplies consumed (including transportation charges);
- (7) Cost of merchandise sold (including transportation charges);
- (8) Cost of other supplies consumed (including transportation charges);
- (9) Cost of services purchased from outsiders (not employees) to resell, that do not continue under contract;
- (10) Power, heat and refrigeration expenses that do not continue under contract (if Form **CP 15 11** is attached);
- (11) All payroll expenses or the amount of payroll expense excluded (if Form **CP 15 10** is attached); and
- (12) Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion – not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

Example 1 (Underinsurance)

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been: \$ 400,000
 The Coinsurance percentage is: 50%
 The Limit of Insurance is: \$ 150,000
 The amount of loss is: \$ 80,000

Step (1): $\$400,000 \times 50\% = \$200,000$
 (the minimum amount of insurance to meet your Coinsurance requirements)

Step (2): $\$150,000 \div \$200,000 = .75$

Step (3): $\$80,000 \times .75 = \$60,000$

We will pay no more than \$60,000. The remaining \$20,000 is not covered.

Example 2 (Adequate Insurance)

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been: \$ 400,000
 The Coinsurance percentage is: 50%
 The Limit of Insurance is: \$ 200,000
 The amount of loss is: \$ 80,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 ($\$400,000 \times 50\%$). Therefore, the Limit of Insurance in this example is adequate and no penalty applies. We will pay no more than \$80,000 (amount of loss).

This condition does not apply to Extra Expense Coverage.

E. Optional Coverages

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

1. Maximum Period Of Indemnity

- a. The Additional Condition, Coinsurance, does not apply to this Coverage Form at the described premises to which this Optional Coverage applies.

- b. The most we will pay for the total of Business Income loss and Extra Expense is the lesser of:

- (1) The amount of loss sustained and expenses incurred during the 120 days immediately following the beginning of the "period of restoration"; or
- (2) The Limit Of Insurance shown in the Declarations.

2. Monthly Limit Of Indemnity

- a. The Additional Condition, Coinsurance, does not apply to this Coverage Form at the described premises to which this Optional Coverage applies.
- b. The most we will pay for loss of Business Income in each period of 30 consecutive days after the beginning of the "period of restoration" is:
 - (1) The Limit of Insurance, multiplied by
 - (2) The fraction shown in the Declarations for this Optional Coverage.

Example

When:	The Limit of Insurance is:	\$ 120,000
	The fraction shown in the Declarations for this Optional Coverage is:	1/4
	The most we will pay for loss in each period of 30 consecutive days is:	\$ 30,000
	(\$120,000 x 1/4 = \$30,000)	
	If, in this example, the actual amount of loss is:	
	Days 1–30:	\$ 40,000
	Days 31–60:	\$ 20,000
	Days 61–90:	\$ 30,000
		\$ 90,000
	We will pay:	
	Days 1–30:	\$ 30,000
	Days 31–60:	\$ 20,000
	Days 61–90:	\$ 30,000
		\$ 80,000

The remaining \$10,000 is not covered.

3. Business Income Agreed Value

- a. To activate this Optional Coverage:
 - (1) A Business Income Report/Work Sheet must be submitted to us and must show financial data for your "operations":
 - (a) During the 12 months prior to the date of the Work Sheet; and

- (b) Estimated for the 12 months immediately following the inception of this Optional Coverage.

- (2) The Declarations must indicate that the Business Income Agreed Value Optional Coverage applies, and an Agreed Value must be shown in the Declarations. The Agreed Value should be at least equal to:

- (a) The Coinsurance percentage shown in the Declarations; multiplied by
- (b) The amount of Net Income and operating expenses for the following 12 months you report on the Work Sheet.

- b. The Additional Condition, Coinsurance, is suspended until:

- (1) 12 months after the effective date of this Optional Coverage; or
- (2) The expiration date of this policy; whichever occurs first.

- c. We will reinstate the Additional Condition, Coinsurance, automatically if you do not submit a new Work Sheet and Agreed Value:

- (1) Within 12 months of the effective date of this Optional Coverage; or
- (2) When you request a change in your Business Income Limit of Insurance.

- d. If the Business Income Limit of Insurance is less than the Agreed Value, we will not pay more of any loss than the amount of loss multiplied by:

- (1) The Business Income Limit of Insurance; divided by
- (2) The Agreed Value.

Example

When:	The Limit of Insurance is:	\$ 100,000
	The Agreed Value is:	\$ 200,000
	The amount of loss is:	\$ 80,000
Step (1):	\$100,000 ÷ \$200,000 = .50	
Step (2):	.50 x \$80,000 = \$40,000	

We will pay \$40,000. The remaining \$40,000 is not covered.

4. Extended Period Of Indemnity

Under Paragraph A.5.c., **Extended Business Income**, the number 60 in Subparagraphs (1)(b) and (2)(b) is replaced by the number shown in the Declarations for this Optional Coverage.

F. Definitions

1. "Finished stock" means stock you have manufactured.

"Finished stock" also includes whiskey and alcoholic products being aged, unless there is a Coinsurance percentage shown for Business Income in the Declarations.

"Finished stock" does not include stock you have manufactured that is held for sale on the premises of any retail outlet insured under this Coverage Part.

2. "Operations" means:
 - a. Your business activities occurring at the described premises; and
 - b. The tenantability of the described premises, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.
3. "Period of restoration" means the period of time that:
 - a. Begins:
 - (1) 72 hours after the time of direct physical loss or damage for Business Income Coverage; or
 - (2) Immediately after the time of direct physical loss or damage for Extra Expense Coverage;

caused by or resulting from any Covered Cause of Loss at the described premises; and
 - b. Ends on the earlier of:
 - (1) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (2) The date when business is resumed at a new permanent location.

"Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:

- (1) Regulates the construction, use or repair, or requires the tearing down, of any property; or

- (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

4. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
5. "Rental Value" means Business Income that consists of:
 - a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, including fair rental value of any portion of the described premises which is occupied by you; and
 - b. Continuing normal operating expenses incurred in connection with that premises, including:
 - (1) Payroll; and
 - (2) The amount of charges which are the legal obligation of the tenant(s) but would otherwise be your obligations.
6. "Suspension" means:
 - a. The slowdown or cessation of your business activities; or
 - b. That a part or all of the described premises is rendered untenable, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.

COMMERCIAL PROPERTY**COMMERCIAL PROPERTY CONDITIONS**

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

B. CONTROL OF PROPERTY

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

C. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

D. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

E. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

F. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

G. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

H. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

1. We cover loss or damage commencing:
 - a. During the policy period shown in the Declarations; and
 - b. Within the coverage territory.
2. The coverage territory is:
 - a. The United States of America (including its territories and possessions);
 - b. Puerto Rico; and
 - c. Canada.

I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property or Covered Income.
2. After a loss to your Covered Property or Covered Income only if, at time of loss, that party is one of the following:
 - a. Someone insured by this insurance;
 - b. A business firm:
 - (1) Owned or controlled by you; or
 - (2) That owns or controls you; or
 - c. Your tenant.

This will not restrict your insurance.

COMMERCIAL PROPERTY
CP 01 40 07 06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART STANDARD PROPERTY POLICY

- A.** The exclusion set forth in Paragraph **B.** applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.
- B.** We will not pay for loss or damage caused by or resulting from any virus, bacterium or other micro-organism that induces or is capable of inducing physical distress, illness or disease.
However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part or Policy.
- C.** With respect to any loss or damage subject to the exclusion in Paragraph **B.**, such exclusion supersedes any exclusion relating to "pollutants".
- D.** The following provisions in this Coverage Part or Policy are hereby amended to remove reference to bacteria:
 - 1.** Exclusion of "Fungus", Wet Rot, Dry Rot And Bacteria; and
 - 2.** Additional Coverage – Limited Coverage for "Fungus", Wet Rot, Dry Rot And Bacteria, including any endorsement increasing the scope or amount of coverage.
- E.** The terms of the exclusion in Paragraph **B.**, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

COMMERCIAL PROPERTY
CP 04 01 10 00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BRANDS AND LABELS

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
STANDARD PROPERTY POLICY

- A.** If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or any part of the property at an agreed or appraised value. If so, you may:
- 1.** Stamp "salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
 - 2.** Remove the brands or labels, if doing so will not physically damage the merchandise. You must relabel the merchandise or its containers to comply with the law.
- B.** We will pay reasonable costs you incur to perform the activity described in **A.1.** or **A.2.** above. But the total we pay for these costs and the value of the damaged property will not exceed the applicable Limit of Insurance on such property.

CAUSES OF LOSS – SPECIAL FORM

Words and phrases that appear in quotation marks have special meaning. Refer to Section **G**. Definitions.

A. Covered Causes Of Loss

When Special is shown in the Declarations, Covered Causes of Loss means direct physical loss unless the loss is excluded or limited in this policy.

B. Exclusions

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

a. Ordinance Or Law

The enforcement of or compliance with any ordinance or law:

- (1) Regulating the construction, use or repair of any property; or
- (2) Requiring the tearing down of any property, including the cost of removing its debris.

This exclusion, Ordinance Or Law, applies whether the loss results from:

- (a) An ordinance or law that is enforced even if the property has not been damaged; or
- (b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

b. Earth Movement

- (1) Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event;
- (2) Landslide, including any earth sinking, rising or shifting related to such event;
- (3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;

- (4) Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if Earth Movement, as described in **b.(1)** through **(4)** above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

- (5) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

Volcanic Action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- (a) Airborne volcanic blast or airborne shock waves;
- (b) Ash, dust or particulate matter; or
- (c) Lava flow.

With respect to coverage for Volcanic Action as set forth in **(5)(a)**, **(5)(b)** and **(5)(c)**, all volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic Action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

This exclusion applies regardless of whether any of the above, in Paragraphs **(1)** through **(5)**, is caused by an act of nature or is otherwise caused.

c. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

d. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

e. Utility Services

The failure of power, communication, water or other utility service supplied to the described premises, however caused, if the failure:

- (1) Originates away from the described premises; or
- (2) Originates at the described premises, but only if such failure involves equipment used to supply the utility service to the described premises from a source away from the described premises.

Failure of any utility service includes lack of sufficient capacity and reduction in supply.

Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

But if the failure or surge of power, or the failure of communication, water or other utility service, results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

Communication services include but are not limited to service relating to Internet access or access to any electronic, cellular or satellite network.

f. War And Military Action

- (1) War, including undeclared or civil war;

- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

g. Water

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);

- (2) Mudslide or mudflow;

- (3) Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;

- (4) Water under the ground surface pressing on, or flowing or seeping through:

- (a) Foundations, walls, floors or paved surfaces;
- (b) Basements, whether paved or not; or
- (c) Doors, windows or other openings;

- (5) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph (1), (3) or (4), or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs (1) through (5), is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if any of the above, in Paragraphs (1) through (5), results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage (if sprinkler leakage is a Covered Cause of Loss).

h. "Fungus", Wet Rot, Dry Rot And Bacteria

Presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria.

But if "fungus", wet or dry rot or bacteria result in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

- (1) When "fungus", wet or dry rot or bacteria result from fire or lightning; or
- (2) To the extent that coverage is provided in the Additional Coverage, Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria, with respect to loss or damage by a cause of loss other than fire or lightning.

Exclusions **B.1.a.** through **B.1.h.** apply whether or not the loss event results in widespread damage or affects a substantial area.

2. We will not pay for loss or damage caused by or resulting from any of the following:

a. Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:

- (1) Electrical or electronic wire, device, appliance, system or network; or
- (2) Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to:

- (a) Electrical current, including arcing;
- (b) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (c) Pulse of electromagnetic energy; or
- (d) Electromagnetic waves or microwaves.

But if fire results, we will pay for the loss or damage caused by that fire.

- b. Delay, loss of use or loss of market.**
- c. Smoke, vapor or gas from agricultural smudging or industrial operations.**

d.(1) Wear and tear;

(2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;

(3) Smog;

(4) Settling, cracking, shrinking or expansion;

(5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals.

(6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.

(7) The following causes of loss to personal property:

(a) Dampness or dryness of atmosphere;

(b) Changes in or extremes of temperature; or

(c) Marring or scratching.

But if an excluded cause of loss that is listed in **2.d.(1)** through **(7)** results in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

e. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

f. Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.

- g.** Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:

- (1)** You do your best to maintain heat in the building or structure; or
- (2)** You drain the equipment and shut off the supply if the heat is not maintained.

- h.** Dishonest or criminal act (including theft) by you, any of your partners, members, officers, managers, employees (including temporary employees and leased workers), directors, trustees or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion:

- (1)** Applies whether or not an act occurs during your normal hours of operation;
 - (2)** Does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered.
- i.** Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- j.** Rain, snow, ice or sleet to personal property in the open.
- k.** Collapse, including any of the following conditions of property or any part of the property:
- (1)** An abrupt falling down or caving in;
 - (2)** Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
 - (3)** Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to **(1)** or **(2)** above.

But if collapse results in a Covered Cause of Loss at the described premises, we will pay for the loss or damage caused by that Covered Cause of Loss.

This exclusion, **k.**, does not apply:

- (a)** To the extent that coverage is provided under the Additional Coverage, Collapse; or
 - (b)** To collapse caused by one or more of the following:
 - (i)** The "specified causes of loss";
 - (ii)** Breakage of building glass;
 - (iii)** Weight of rain that collects on a roof; or
 - (iv)** Weight of people or personal property.
 - l.** Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".
- This exclusion, **l.**, does not apply to damage to glass caused by chemicals applied to the glass.
- m.** Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.
- 3.** We will not pay for loss or damage caused by or resulting from any of the following, **3.a.** through **3.c.** But if an excluded cause of loss that is listed in **3.a.** through **3.c.** results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.
- a.** Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph **1.** above to produce the loss or damage.
 - b.** Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
 - c.** Faulty, inadequate or defective:
 - (1)** Planning, zoning, development, surveying, siting;
 - (2)** Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - (3)** Materials used in repair, construction, renovation or remodeling; or
 - (4)** Maintenance;

of part or all of any property on or off the described premises.

4. Special Exclusions

The following provisions apply only to the specified Coverage Forms:

a. Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form, Or Extra Expense Coverage Form

We will not pay for:

- (1) Any loss caused by or resulting from:
 - (a) Damage or destruction of "finished stock"; or
 - (b) The time required to reproduce "finished stock".

This exclusion does not apply to Extra Expense.
- (2) Any loss caused by or resulting from direct physical loss or damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.
- (3) Any increase of loss caused by or resulting from:
 - (a) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
 - (b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage and the Extended Period Of Indemnity Optional Coverage or any variation of these.
- (4) Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".
- (5) Any other consequential loss.

b. Leasehold Interest Coverage Form

- (1) Paragraph **B.1.a.**, Ordinance Or Law, does not apply to insurance under this Coverage Form.
- (2) We will not pay for any loss caused by:
 - (a) Your cancelling the lease;
 - (b) The suspension, lapse or cancellation of any license; or
 - (c) Any other consequential loss.

c. Legal Liability Coverage Form

- (1) The following exclusions do not apply to insurance under this Coverage Form:
 - (a) Paragraph **B.1.a.** Ordinance Or Law;
 - (b) Paragraph **B.1.c.** Governmental Action;
 - (c) Paragraph **B.1.d.** Nuclear Hazard;
 - (d) Paragraph **B.1.e.** Utility Services; and
 - (e) Paragraph **B.1.f.** War And Military Action.
- (2) The following additional exclusions apply to insurance under this Coverage Form:

(a) Contractual Liability

We will not defend any claim or "suit", or pay damages that you are legally liable to pay, solely by reason of your assumption of liability in a contract or agreement. But this exclusion does not apply to a written lease agreement in which you have assumed liability for building damage resulting from an actual or attempted burglary or robbery, provided that:

- (i) Your assumption of liability was executed prior to the accident; and
- (ii) The building is Covered Property under this Coverage Form.

(b) Nuclear Hazard

We will not defend any claim or "suit", or pay any damages, loss, expense or obligation, resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

5. Additional Exclusion

The following provisions apply only to the specified property:

Loss Or Damage To Products

We will not pay for loss or damage to any merchandise, goods or other product caused by or resulting from error or omission by any person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, maintenance or repair. This exclusion applies to any effect that compromises the form, substance or quality of the product. But if such error or omission results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

C. Limitations

The following limitations apply to all policy forms and endorsements, unless otherwise stated:

1. We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.
 - a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
 - b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
 - c. The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
 - (1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
 - (2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
- d. Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft.

However, this limitation does not apply to:

 - (1) Building materials and supplies held for sale by you, unless they are insured under the Builders Risk Coverage Form; or
 - (2) Business Income Coverage or Extra Expense Coverage.
- e. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
- f. Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.
- g. Lawns, trees, shrubs or plants which are part of a vegetated roof, caused by or resulting from:
 - (1) Dampness or dryness of atmosphere or of soil supporting the vegetation;
 - (2) Changes in or extremes of temperature;
 - (3) Disease;
 - (4) Frost or hail; or
 - (5) Rain, snow, ice or sleet.
2. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:
 - a. Animals, and then only if they are killed or their destruction is made necessary.
 - b. Fragile articles such as statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:
 - (1) Glass; or
 - (2) Containers of property held for sale.
 - c. Builders' machinery, tools and equipment owned by you or entrusted to you, provided such property is Covered Property.

However, this limitation does not apply:

 - (1) If the property is located on or within 100 feet of the described premises, unless the premises is insured under the Builders Risk Coverage Form; or

(2) To Business Income Coverage or to Extra Expense Coverage.

3. The special limit shown for each category, **a.** through **d.**, is the total limit for loss of or damage to all property in that category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are (unless a higher limit is shown in the Declarations):

- a.** \$2,500 for furs, fur garments and garments trimmed with fur.
- b.** \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.
- c.** \$2,500 for patterns, dies, molds and forms.
- d.** \$250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are part of, not in addition to, the Limit of Insurance applicable to the Covered Property.

This limitation, **C.3.**, does not apply to Business Income Coverage or to Extra Expense Coverage.

4. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire-extinguishing equipment if the damage:

- a.** Results in discharge of any substance from an automatic fire protection system; or
- b.** Is directly caused by freezing.

However, this limitation does not apply to Business Income Coverage or to Extra Expense Coverage.

D. Additional Coverage – Collapse

The coverage provided under this Additional Coverage, Collapse, applies only to an abrupt collapse as described and limited in **D.1.** through **D.7.**

1. For the purpose of this Additional Coverage, Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.

2. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:

- a.** Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
- b.** Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
- c.** Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation.
- d.** Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:
 - (1) A cause of loss listed in **2.a.** or **2.b.**;
 - (2) One or more of the "specified causes of loss";
 - (3) Breakage of building glass;
 - (4) Weight of people or personal property; or
 - (5) Weight of rain that collects on a roof.

3. This **Additional Coverage – Collapse** does not apply to:

- a.** A building or any part of a building that is in danger of falling down or caving in;
- b.** A part of a building that is standing, even if it has separated from another part of the building; or
- c.** A building that is standing or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

4. With respect to the following property:

- a.** Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;

- b. Awnings, gutters and downspouts;
 - c. Yard fixtures;
 - d. Outdoor swimming pools;
 - e. Fences;
 - f. Piers, wharves and docks;
 - g. Beach or diving platforms or appurtenances;
 - h. Retaining walls; and
 - i. Walks, roadways and other paved surfaces;
- if an abrupt collapse is caused by a cause of loss listed in **2.a.** through **2.d.**, we will pay for loss or damage to that property only if:

- (1) Such loss or damage is a direct result of the abrupt collapse of a building insured under this Coverage Form; and
- (2) The property is Covered Property under this Coverage Form.

5. If personal property abruptly falls down or caves in and such collapse is **not** the result of abrupt collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:
- a. The collapse of personal property was caused by a cause of loss listed in **2.a.** through **2.d.**;
 - b. The personal property which collapses is inside a building; and
 - c. The property which collapses is not of a kind listed in **4.**, regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph **5.** does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

- 6. This Additional Coverage, Collapse, does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- 7. This Additional Coverage, Collapse, will not increase the Limits of Insurance provided in this Coverage Part.
- 8. The term Covered Cause of Loss includes the Additional Coverage, Collapse, as described and limited in **D.1.** through **D.7.**

E. Additional Coverage – Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria

1. The coverage described in **E.2.** and **E.6.** only applies when the "fungus", wet or dry rot or bacteria are the result of one or more of the following causes that occur during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence:

- a. A "specified cause of loss" other than fire or lightning; or
- b. Flood, if the Flood Coverage Endorsement applies to the affected premises.

This Additional Coverage does not apply to lawns, trees, shrubs or plants which are part of a vegetated roof.

2. We will pay for loss or damage by "fungus", wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:

- a. Direct physical loss or damage to Covered Property caused by "fungus", wet or dry rot or bacteria, including the cost of removal of the "fungus", wet or dry rot or bacteria;
- b. The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet or dry rot or bacteria; and
- c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungus", wet or dry rot or bacteria are present.

3. The coverage described under **E.2.** of this Limited Coverage is limited to \$15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) and Flood which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the "fungus", wet or dry rot or bacteria continue to be present or active, or recur, in a later policy period.

4. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

If there is covered loss or damage to Covered Property, not caused by "fungus", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungus", wet or dry rot or bacteria cause an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

5. The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph F.2. (Water Damage, Other Liquids, Powder Or Molten Material Damage) of this Causes Of Loss form or under the Additional Coverage, Collapse.
6. The following, 6.a. or 6.b., applies only if Business Income and/or Extra Expense Coverage applies to the described premises and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable Business Income and/or Extra Expense Coverage Form:
- a. If the loss which resulted in "fungus", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to loss or damage to property caused by "fungus", wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.
 - b. If a covered "suspension" of "operations" was caused by loss or damage other than "fungus", wet or dry rot or bacteria but remediation of "fungus", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

F. Additional Coverage Extensions

1. Property In Transit

This Extension applies only to your personal property to which this form applies.

- a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.
- b. Loss or damage must be caused by or result from one of the following causes of loss:
 - (1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.
 - (2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the roadbed.
 - (3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.
- c. The most we will pay for loss or damage under this Extension is \$5,000.

This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

2. Water Damage, Other Liquids, Powder Or Molten Material Damage

If loss or damage caused by or resulting from covered water or other liquid, powder or molten material damage loss occurs, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. This Coverage Extension does not increase the Limit of Insurance.

3. Glass

- a. We will pay for expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.
- b. We will pay for expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.

This Coverage Extension **F.3.** does not increase the Limit of Insurance.

G. Definitions

- 1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
- 2. "Specified causes of loss" means the following:
 - a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
 - (1) The cost of filling sinkholes; or
 - (2) Sinking or collapse of land into man-made underground cavities.
 - b. Falling objects does not include loss or damage to:
 - (1) Personal property in the open; or
 - (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
 - c. Water damage means:
 - (1) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam; and

- (2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe caused by wear and tear, when the pipe is located off the described premises and is connected to or is part of a potable water supply system or sanitary sewer system operated by a public or private utility service provider pursuant to authority granted by the state or governmental subdivision where the described premises are located.

But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion. Therefore, for example, there is no coverage under this policy in the situation in which discharge or leakage of water results from the breaking apart or cracking of a pipe which was caused by or related to weather-induced flooding, even if wear and tear contributed to the breakage or cracking. As another example, and also in accordance with the terms of the Water Exclusion, there is no coverage for loss or damage caused by or related to weather-induced flooding which follows or is exacerbated by pipe breakage or cracking attributable to wear and tear.

To the extent that accidental discharge or leakage of water falls within the criteria set forth in **c.(1)** or **c.(2)** of this definition of "specified causes of loss," such water is not subject to the provisions of the Water Exclusion which preclude coverage for surface water or water under the surface of the ground.

COMMERCIAL PROPERTY
CP 10 75 12 20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER INCIDENT EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

A. The following exclusion is added to Paragraph B. Exclusions:

We will not pay for loss or damage caused directly or indirectly by the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

Cyber Incident

1. Unauthorized access to or use of any computer system (including electronic data).
2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any computer system (including electronic data) and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any computer system (including electronic data) or otherwise disrupt its normal functioning or operation.
3. Denial of service attack which disrupts, prevents or restricts access to or use of any computer system, or otherwise disrupts its normal functioning or operation.

B. Exceptions And Limitations

1. Fire Or Explosion

If a cyber incident as described in Paragraphs **A.1.** through **A.3.** of this exclusion results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

2. Additional Coverage

The exclusion in Paragraph **A.** does not apply to the extent that coverage is provided in the:

- a. Additional Coverage – Electronic Data; or
- b. Additional Coverage – Interruption Of Computer Operations.

3. Electronic Commerce Endorsement

The exclusion in Paragraph **A.** does not apply to the Electronic Commerce (E-Commerce) endorsement when attached to your policy.

C. Vandalism

The following is added to Vandalism, if Vandalism coverage is not otherwise excluded under the Standard Property Policy or the Causes Of Loss – Basic, Broad or Special Forms and if applicable to the premises described in the Declarations:

Vandalism does not include a cyber incident as described in Paragraph **A.**

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
CP 12 18 10 12**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****LOSS PAYABLE PROVISIONS**

This endorsement modifies insurance provided under the following:

BUILDERS' RISK COVERAGE FORM
 BUILDING AND PERSONAL PROPERTY COVERAGE FORM
 CONDOMINIUM ASSOCIATION COVERAGE FORM
 CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
 STANDARD PROPERTY POLICY

SCHEDULE

Location Number: 2	Building Number: 1	Applicable Clause (Enter C.1., C.2., C.3. or C.4.): C.1.
Description Of Property: Business Personal Property Loss Payee Name: St. Charles Bank & Trust Co Loss Payee Address: 411 W Main St Saint Charles, IL 60174-1815		
Location Number: 1	Building Number: 1	Applicable Clause (Enter C.1., C.2., C.3. or C.4.): C.1.
Description Of Property: Business Personal Property Loss Payee Name: Nextgear Capital Loss Payee Address: 11799 N College Ave, Ste 150 Carmel, IN 46032-5605		
Location Number:	Building Number:	Applicable Clause (Enter C.1., C.2., C.3. or C.4.):
Description Of Property: Loss Payee Name: Loss Payee Address:		
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

- A.** When this endorsement is attached to the Standard Property Policy **CP 00 99**, the term Coverage Part in this endorsement is replaced by the term Policy.
- B.** Nothing in this endorsement increases the applicable Limit of Insurance. We will not pay any Loss Payee more than their financial interest in the Covered Property, and we will not pay more than the applicable Limit of Insurance on the Covered Property.
- C.** The following is added to the **Loss Payment** Loss Condition, as indicated in the Declarations or in the Schedule:

1. Loss Payable Clause

For Covered Property in which both you and a Loss Payee shown in the Schedule or in the Declarations have an insurable interest, we will:

- a.** Adjust losses with you; and
- b.** Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear

2. Lender's Loss Payable Clause

- a.** The Loss Payee shown in the Schedule or in the Declarations is a creditor, including a mortgageholder or trustee, whose interest in Covered Property is established by such written instruments as:

- (1)** Warehouse receipts;
- (2)** A contract for deed;
- (3)** Bills of lading;
- (4)** Financing statements; or
- (5)** Mortgages, deeds of trust, or security agreements.

- b.** For Covered Property in which both you and a Loss Payee have an insurable interest:

- (1)** We will pay for covered loss or damage to each Loss Payee in their order of precedence, as interests may appear.
- (2)** The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the Covered Property.

- (3)** If we deny your claim because of your acts or because you have failed to comply with the terms of the Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:

- (a)** Pays any premium due under this Coverage Part at our request if you have failed to do so;
- (b)** Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
- (c)** Has notified us of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

All of the terms of this Coverage Part will then apply directly to the Loss Payee.

- (4)** If we pay the Loss Payee for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

- (a)** The Loss Payee's rights will be transferred to us to the extent of the amount we pay; and
- (b)** The Loss Payee's rights to recover the full amount of the Loss Payee's claim will not be impaired.

At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

- c.** If we cancel this policy, we will give written notice to the Loss Payee at least:
 - (1)** 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - (2)** 30 days before the effective date of cancellation if we cancel for any other reason.
- d.** If we elect not to renew this policy, we will give written notice to the Loss Payee at least 10 days before the expiration date of this policy.

3. Contract Of Sale Clause

- a. The Loss Payee shown in the Schedule or in the Declarations is a person or organization you have entered into a contract with for the sale of Covered Property.
- b. For Covered Property in which both you and the Loss Payee have an insurable interest, we will:
 - (1) Adjust losses with you; and
 - (2) Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.
- c. The following is added to the **Other Insurance** Condition:

For Covered Property that is the subject of a contract of sale, the word "you" includes the Loss Payee.

4. Building Owner Loss Payable Clause

- a. The Loss Payee shown in the Schedule or in the Declarations is the owner of the described building in which you are a tenant.
- b. We will adjust losses to the described building with the Loss Payee. Any loss payment made to the Loss Payee will satisfy your claims against us for the owner's property.
- c. We will adjust losses to tenants' improvements and betterments with you, unless the lease provides otherwise.

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
CP 15 31 09 17**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ORDINANCE OR LAW – INCREASED PERIOD
OF RESTORATION**

This endorsement modifies insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
EXTRA EXPENSE COVERAGE FORM**SCHEDULE****Described Premises:** Location #1 - Building #1 - Shop**Post-Loss Ordinance Or Law Option:** Yes ☒ No ☐

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. If a Covered Cause of Loss occurs to a building(s) at the premises described in the Schedule, resulting in a "suspension" of "operations" covered under this policy, the "period of restoration" is extended to include the increased period required to comply with the minimum standards of an ordinance or law, provided that:

1. The ordinance or law regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
2. The requirements of the ordinance or law are in force at the time of loss. But if the Post-Loss Ordinance Or Law Option is indicated in the Schedule as being applicable, then Paragraph **A.3.** applies instead of this Paragraph **A.2.**
3. The requirements of the ordinance or law are in force at the time of loss; or the ordinance or law is promulgated or revised after the loss but prior to commencement of reconstruction or repair and provided that such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.

However, coverage is not extended under this endorsement to include loss caused by or resulting from the enforcement of or compliance with any ordinance or law which requires:

1. The demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
2. Any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

B. The following definition is added:

"Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
CP 15 31 09 17**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ORDINANCE OR LAW – INCREASED PERIOD
OF RESTORATION**

This endorsement modifies insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
EXTRA EXPENSE COVERAGE FORM**SCHEDULE****Described Premises:** Location #2 - Building #1 - Shop/Storage/Office**Post-Loss Ordinance Or Law Option:** Yes ☒ No ☐

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. If a Covered Cause of Loss occurs to a building(s) at the premises described in the Schedule, resulting in a "suspension" of "operations" covered under this policy, the "period of restoration" is extended to include the increased period required to comply with the minimum standards of an ordinance or law, provided that:

1. The ordinance or law regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
2. The requirements of the ordinance or law are in force at the time of loss. But if the Post-Loss Ordinance Or Law Option is indicated in the Schedule as being applicable, then Paragraph **A.3.** applies instead of this Paragraph **A.2.**
3. The requirements of the ordinance or law are in force at the time of loss; or the ordinance or law is promulgated or revised after the loss but prior to commencement of reconstruction or repair and provided that such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.

However, coverage is not extended under this endorsement to include loss caused by or resulting from the enforcement of or compliance with any ordinance or law which requires:

1. The demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
2. Any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

B. The following definition is added:

"Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
CP 15 45 09 17**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****UTILITY SERVICES – TIME ELEMENT**

This endorsement modifies insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
EXTRA EXPENSE COVERAGE FORM**SCHEDULE**

Premises Number	Building Number	Utility Services Limit Of Insurance	Enter "X" for each applicable property.					
			Water Supply Property	Waste-water Removal Property	Communication Supply Property (including overhead transmission lines)	Communication Supply Property (not including overhead transmission lines)	Power Supply Property (including overhead transmission lines)	Power Supply Property (not including overhead transmission lines)
1	1	\$ Actual Loss Sustained	X	X		X		X
Causes Of Loss Form Applicable: Special - Incl Theft								
Business Income Waiting Period: _____ Hours (Leave blank if no waiting period applies to Business Income, or if Business Income coverage does not apply.)								
2	1	\$ Actual Loss Sustained	X	X		X		X
Causes Of Loss Form Applicable: Special - Incl Theft								
Business Income Waiting Period: _____ Hours (Leave blank if no waiting period applies to Business Income, or if Business Income coverage does not apply.)								
		\$						
Causes Of Loss Form Applicable:								
Business Income Waiting Period: _____ Hours (Leave blank if no waiting period applies to Business Income, or if Business Income coverage does not apply.)								
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.								

A. Coverage

Your coverage for Business Income and/or Extra Expense, as provided and limited in the applicable Coverage Form, is extended to apply to a "suspension" of "operations" at the described premises caused by an interruption in utility service to that premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss (as provided under the applicable Causes of Loss form indicated in the Schedule) to the property described in Paragraph **E.** if such property is indicated by an "X" in the Schedule.

B. Waiting Period

If a Business Income Waiting Period is indicated in the Schedule, such waiting period begins at the time of interruption of utility service to the described premises.

C. Duration Of Coverage

Coverage under this endorsement applies to loss sustained and expense incurred during the period of time that:

1. Begins:
 - a. Following expiration of the waiting period indicated in the Schedule, for Business Income; or
 - b. At the time of interruption of utility service to the described premises, for Extra Expense (and for Business Income, if a Business Income Waiting Period does not apply); and
2. Ends when:
 - a. "Operations" are fully resumed by any means; or
 - b. "Operations" could be fully resumed with reasonable speed following restoration of utility service to the described premises;

whichever occurs first.

The expiration date of this policy will not cut short the duration of coverage under this endorsement.

The "period of restoration" definition in the Coverage Form, or in any endorsement amending the Coverage Form, does not apply to the coverage provided under this endorsement.

D. Exception

Coverage under this endorsement does not apply to Business Income loss or Extra Expense related to interruption in utility service which causes loss or damage to electronic data, including destruction or corruption of electronic data. The term electronic data has the meaning set forth in the Coverage Form to which this endorsement applies.

E. Utility Services

1. Water Supply Property, meaning the following types of property supplying water to the described premises:

- a. Pumping stations; and
- b. Water mains.

2. Wastewater Removal Property, meaning a utility system for removing wastewater and sewage from the described premises, other than a system designed primarily for draining storm water. The utility property includes sewer mains, pumping stations and similar equipment for moving the effluent to a holding, treatment or disposal facility, and includes such facilities.

Coverage under this endorsement does not apply to interruption in service caused by or resulting from a discharge of water or sewage due to heavy rainfall or flooding.

3. Communication Supply Property, meaning property supplying communication services, including telephone, radio, microwave or television services, to the described premises, such as:

- a. Communication transmission lines, including optic fiber transmission lines;
- b. Coaxial cables; and
- c. Microwave radio relays except satellites.

It does not include overhead transmission lines unless indicated by an "X" in the Schedule.

4. Power Supply Property, meaning the following types of property supplying electricity, steam or gas to the described premises:

- a. Utility generating plants;
- b. Switching stations;
- c. Substations;

- d. Transformers; and
- e. Transmission lines.

It does not include overhead transmission lines unless indicated by an "X" in the Schedule.

- F. As used in this endorsement, the term transmission lines includes all lines which serve to transmit communication service or power, including lines which may be identified as distribution lines.

- G. The **Coinurance** Additional Condition does not apply to this endorsement.

- H. The Utility Services Limit Of Insurance, as shown in the Schedule, is the only Limit which applies to the coverage provided under this endorsement, and is part of, not in addition to, the Limit Of Insurance stated in the Declarations as applicable to the described premises.

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
CP 15 56 06 07**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****BUSINESS INCOME CHANGES –
BEGINNING OF THE PERIOD OF RESTORATION**

This endorsement modifies insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM**SCHEDULE****Select Either A. Or B.**A. ☐ **72-Hour Time Period Is Replaced By 24 Hours**B. ☒ **72-Hour Time Period Is Eliminated**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. If the Schedule indicates that the 72-hour time period is replaced by 24 hours, then:

1. The 72-hour time period in the definition of "period of restoration" is replaced by 24 hours. Therefore, the period of restoration for Business Income Coverage begins 24 hours after the time of direct physical loss or damage, subject to all other provisions of the definition of "period of restoration"; and
2. The 72-hour time period in the Civil Authority Additional Coverage is replaced by 24 hours. Therefore, coverage under the Additional Coverage – Civil Authority begins 24 hours after the time of action of civil authority, subject to all other provisions of that Additional Coverage.

B. If the Schedule indicates that the 72-hour time period is eliminated, then:

1. The 72-hour time period in the definition of "period of restoration" is deleted. Therefore, the period of restoration for Business Income Coverage begins at the time of direct physical loss or damage, subject to all other provisions of the definition of "period of restoration"; and
2. The 72-hour time period in the Civil Authority Additional Coverage is deleted. Therefore, coverage under the Additional Coverage – Civil Authority begins at the time of action of civil authority, subject to all other provisions of that Additional Coverage.

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
WB 1337 01 18**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****WATER BACK-UP AND SUMP PUMP OVERFLOW**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
 BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
 BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
 CONDOMINIUM ASSOCIATION COVERAGE FORM
 CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
 EXTRA EXPENSE COVERAGE FORM

SCHEDULE

Policy Limit of Insurance (Annual Aggregate Limitation Applies)	
\$ 50,000	
Separate Premises Option <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Premises Number	Limit Of Insurance (Annual Aggregate Limitation Applies)
	\$
	\$
	\$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. We will pay for direct physical loss or damage, not caused by your negligence, to Covered Property caused by or resulting from:

1. Water or waterborne material which backs up through or overflows or is otherwise discharged from a sewer or drain; or
2. Water or waterborne material which overflows or is otherwise discharged from a sump, sump pump or related equipment, even if the overflow or discharge results from mechanical breakdown of a sump pump, or its related equipment.

B. With respect to the coverage provided under this endorsement, **Exclusion B.1.g. Water** in CAUSES OF LOSS – BASIC FORM; CAUSES OF LOSS – BROAD FORM; CAUSES OF LOSS – SPECIAL FORM is replaced by the following:

1. Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
2. Mudslide or mudflow;

3. Water under the ground surface pressing on, or flowing or seeping through:

- a. Foundations, walls, floors or paved surfaces;
- b. Basements, whether paved or not;
- c. Doors, windows or other openings; or

4. Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **1.** or **3.**, or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs **1.** through **4.**, is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if any of the above, in Paragraphs **1.** through **4.**, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage (if sprinkler leakage is a Covered Cause of Loss).

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C. Business Income And Extra Expense

We will pay for business income loss and/or extra expense in accordance with the terms of the Coverage Form applicable to such premises under your policy, when such loss or expense arises out of the direct physical loss or damage described in Paragraph A.

D. Limits Of Insurance**1. Policy Limit**

The most we will pay, for the coverage provided under this endorsement for the total of all direct physical loss or damage and business income and/or extra expense occurring during the policy term is the Policy Limit indicated in the Schedule. This limit does not apply separately to each location.

2. Premises Limit

If the Schedule indicates that the Separate Premises Option applies, then the most we will pay for the coverage provided under this endorsement for the total of all direct physical loss or damage and business income and/or extra expense occurring during the policy term is the Limit Of Insurance, as indicated for each premises. The Limit Of Insurance applies separately to each premises described in the Schedule.

E. Annual Aggregate Limitation

The most we will pay for the total of all direct physical loss or damage sustained and business income and/or extra expense caused by all occurrences in a 12-month period (starting with the beginning of the present annual policy period), regardless of the number of occurrences during that period of time, is the Policy Limit Of Insurance or the Premises Limit Of Insurance described in the Schedule.

With respect to an occurrence which begins in one policy year and continues or results in additional direct physical loss or damage, loss of business income, or extra expense you incur in a subsequent policy year(s), all direct physical loss or damage, loss of business income, or extra expense you incur is deemed to be sustained in the policy year in which the occurrence began.

F. Section D. Deductible applies.**G. For the purposes of this endorsement, the term drain includes a roof drain and related fixtures.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**BUSINESS INCOME COVERAGE
ACTUAL LOSS SUSTAINED
(TWELVE MONTH LIMITATION)**

This endorsement modifies insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

1. Coverage is provided for Business Income (and Extra Expense) including "Rental Value".
2. Paragraph **B. LIMITS OF INSURANCE** is replaced by the following:
The most we will pay for loss in any one occurrence is the actual loss of business income you sustained, not to exceed 12 consecutive months after the date of direct physical loss or damage.
3. All reference to coinsurance in the coverage form is deleted.

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
WB 2906 12 20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PROPERTY ADDITIONAL COVERAGES AND COVERAGE
EXTENSIONS ENDORSEMENT**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT OWNERS COVERAGE FORM**SCHEDULE**☒ **ESSENTIAL** ☐ **ELITE**

COVERAGE EXTENSIONS	LIMITS OF INSURANCE OR TERMS AND CONDITIONS CHANGE	
COVERAGE		
Accounts Receivable	\$ 250,000	At Each Premises
	\$ 5,000	At Premises Not Described
Appurtenant Structures	\$ 5,000	Policy Limit
Building Material Theft – Non-owned Premises	\$ 5,000	Policy Limit
Ordinance Or Law – Building Or Tenant's Improvements And Betterments	Replacement Cost Valuation Required	
	The Lesser of \$ 100,000 or 20% of the Limit of Insurance	Combined Demolition Cost & Increased Cost Of Construction
Electronic Data Processing Equipment and Software	\$ 25,000	At Each Premises
Fine Arts	\$ 25,000	At Each Premises
Increase In Rebuilding Expenses Following Disaster	15%	Additional Expense Coverage/At Each Premises
Lock And Key Replacement	\$ 2,500	Any One Occurrence
Newly Acquired Or Constructed Property		
Building	\$ 1,000,000	At Each Building
Business Personal Property	\$ 500,000	At Each Building
Period Of Coverage	30	Days
Outdoor Fences	Included	
Outdoor Property		
Maximum In Any One Occurrence	\$ 10,000	Any One Occurrence
Maximum Per Tree, Shrub Or Plant	\$ 1,000	Any One Occurrence
Outdoor Signs		
Attached	Included	
Detached	\$ 20,000	At Each Premises

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Personal Property		
Off-premises	\$ 100,000	Up To 90 Days
In Transit	Refer to this Endorsement	Policy Occurrence
Personal Effects	\$ 50,000	At Each Premises
	\$ 2,500	Employee Tools Maximum / At Each Premises
Personal Property Of Others	\$ 25,000	At Each Premises
	\$ 2,500	Employee Tools Maximum / At Each Premises
Portable Tools	Actual Cash Value Coverage	
Maximum In Any One Occurrence	\$ 25,000	Any One Occurrence
Maximum To You Or Any Employee	\$ 5,000	Any One Occurrence
Premises Boundary		Distance Limitation Increased To 1,000 Feet
Property At Fairs Or On Exhibition	\$ 50,000	Any One Occurrence
Property In Custody Of Sales Representatives	\$ 25,000	Any One Occurrence
Rewards	\$ 50,000	Any One Occurrence
Spoilage	\$ 10,000	At Each Premises
Valuable Papers And Records (Other Than Electronic Data)	\$ 250,000	At Each Premises
	\$ 5,000	At Premises Not Described
Water Back Up; Sump Pump Overflow	\$ 5,000	Per Policy / Annual Aggregate
ADDITIONAL COVERAGES		
Business Crime		
Computer Fraud And Funds Transfer Fraud	\$ 5,000	Any One Occurrence
Employee Theft	\$ 10,000	Any One Occurrence
Forgery Or Alteration	\$ 10,000	Any One Occurrence
Identity Theft Expense	\$ 50,000	Policy Period
Kidnap Expense	\$ 50,000	Policy Period
Money And Securities	\$ 5,000	Inside The Premises – Any One Occurrence
	\$ 5,000	Outside The Premises – Any One Occurrence
Money Orders And Counterfeit Money	\$ 5,000	Any One Occurrence
Business Income & Extra Expense	\$ 25,000	At Each Premises
Business Income & Extra Expense		
Civil Authority	None	Waiting Period
Lost Lease Protection	\$ 5,000	Policy Period
Business Income From Dependent Properties	\$ 25,000	Any One Occurrence
Business Travel Accidental Death Benefit	\$ 50,000	Policy Period
Conference Cancellation	\$ 25,000	Policy Period
Debris Removal Additional Limit	\$ 50,000	At Each Location
Donation Assurance	\$ 50,000	Policy Period
Emergency Real Estate Consulting Fee	\$ 50,000	Policy Period
Fire Department Service Charge	\$ 250,000	At Each Premises

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Fire Extinguisher System Recharge Expense	Included	
Fundraising Event Blackout	\$ 25,000	Policy Period
Image Restoration Counseling	\$ 50,000	Policy Period
Officers Or Directors Replacement Expenses	\$ 50,000	Policy Period
Peak Season	100%	Not Applicable To Value Reporting or Blanket
Political Unrest Coverage	\$ 50,000	Policy Period
Pollutant Cleanup And Removal	\$ 25,000	At Each Premises / Annual Aggregate
Temporary Meeting Space Rental	\$ 25,000	Policy Period
Terrorism Travel Reimbursement	\$ 50,000	Policy Period
Travel Delay Reimbursement	\$ 1,500	Per Policy Period / 72 Hour Waiting Period
Underground Pipes, Flues And Drains	Covered Property	
Utility Services Failure – Off Premises	Excluding Overhead Lines	
Workplace Violence Counseling	\$ 50,000	Policy Period

This Limit Of Insurance or Term And Condition is in addition to any other insurance provided by this endorsement and is the most we will apply for loss or damage for the indicated Coverage.

Coverage provided by this endorsement is subject to the Cause of Loss Form attached to this policy and the policy's Deductible provision unless otherwise noted.

Coverages provided by this endorsement are in excess of any other specific coverages that are provided in other Coverage Parts or other Policies, provided by West Bend Mutual Insurance Company.

A. Premises Boundary

1. When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form, under **Section A.1. Covered Property**:

Item **a.** Building, Paragraph **(5)(b)**; item **b.** Your Business Personal Property; item **c.** Personal Property Of Others, Paragraph **(2)**, the distance limitation is amended to read within 1,000 feet of the described premises.

Under **Section A.5. Coverage Extensions** the distance limitation in the first Paragraph is amended to read within 1,000 feet of the described premises.

2. When this endorsement is attached to Condominium Commercial Unit-Owners Coverage Form under **Section A.1. Covered Property**:

Item **a.** Your Business Personal Property; Item **b.(2)** Personal Property Of Others, the distance limitation is amended to read within 1,000 feet of the described premises.

Under **Section A.5. Coverage Extensions** the distance limitation in the first Paragraph is amended to read within 1,000 feet of the described premises.

3. When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form, under **Section A.1. Covered Property** Item **a.** Building, the following is added:

(6) Appurtenant structures

The most we will pay under this Additional Coverage is the Limit of Insurance shown in the Schedule.

B. Under **Section A.2. Property Not Covered**:

1. Paragraph **a.** is deleted and replaced by:
 - a.** Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities except as provided in the Coverage Extensions. Lottery tickets held for sale are not securities.

2. When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form, and Building coverage applies, Paragraph **m.** is deleted.

3. When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form, Paragraph **q.(2)** is deleted and replaced by:

Radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), all except as provided in the Coverage Extensions.

4. When this endorsement is attached to Condominium Commercial Unit-Owners Coverage Form, Paragraph **k.(2)** is deleted and replaced by:

Radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), all except as provided in the Coverage Extensions.

C. Under **Section A.4. Additional Coverages**

In addition to the Limits Of Insurance under the Building and Personal Property Coverage Form, Condominium Association Coverage Form, or Condominium Commercial Unit-Owners Coverage Form you may extend the insurance provided by this policy to these Additional Coverages.

Unless otherwise indicated, the Limits Of Insurance provided by these Additional Coverages are in addition to **Section C. Limits Of Insurance**.

Unless otherwise indicated **Section D. Deductible** applies to these Additional Coverages.

1. Paragraph **4.a. Debris Removal** is deleted and replaced by:

a. Debris Removal

- (1)** Subject to Paragraphs **(2)**, **(3)** and **(4)**, we will pay your expense to remove debris of Covered Property and other debris that is on the described premises, when such debris is caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.

(2) Debris Removal does not apply to costs to:

- (a) Remove debris of property of yours that is not insured under this policy, or property in your possession that is not Covered Property.
- (b) Remove debris of property owned by or leased to the landlord of the building where your described premises are located, unless you have a contractual responsibility to insure such property and it is insured under this policy;
- (c) Remove any property that is Property Not Covered, including property addressed under the Outdoor Property Coverage Extension;
- (d) Remove property of others of a type that would not be Covered Property under this Coverage Form;
- (e) Remove deposits of mud or earth from the grounds of the described premises;
- (f) Extract "pollutants" from land or water; or
- (g) Remove, restore or replace polluted land or water.

(3) Subject to the exceptions in Paragraph (4) the following provisions apply:

- (a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
- (b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage. However, if no Covered Property has sustained direct physical loss or damage, the most we will pay for removal of debris of other property (if such removal is covered under this Additional Coverage) is \$5,000 at each location.

(4) We will pay up to the additional amount indicated in the Schedule for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:

- (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
- (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if (4)(a) and/or (4)(b) apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus the Limit of Insurance shown in the Schedule.

2. Paragraph c. **Fire Department Service Charge** is deleted and replaced by:

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to the Limit of Insurance shown in the Schedule for service at each premises described in the Declarations, unless a higher limit is shown in the Declarations. Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

This Additional Coverage applies to your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

Section D. Deductible does not apply to this Additional Coverage.

3. Paragraph **d. Pollutant Clean Up And Removal** is deleted and replaced by:

d. Pollutant Clean-up And Removal

We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

The Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each described premises is the Limit of Insurance shown in the Schedule for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

D. The following coverages are added to **Section A.4. Additional Coverages**:

Unless otherwise indicated, the Limits Of Insurance provided by these Additional Coverages are in addition to **Section C. Limits Of Insurance**.

Unless otherwise indicated **Section D. Deductible** applies to these Additional Coverages.

4. Additional Coverages

g. Business Crime

Coverage 1 – Computer Fraud And Funds Transfer Fraud

We will pay up to the Limit of Insurance shown in the Schedule in any one "occurrence":

- (1) Loss resulting directly from a fraudulent:
 - (a) Entry of "electronic data" or "computer program" into; or
 - (b) Change of "electronic data" or computer program within:
any "computer system" owned, leased or operated by you, provided the fraudulent entry or fraudulent charge causes, with regard to Paragraphs **g.(1)(a)** and **g.(1)(b)** above:

(i) "Money, "securities" or "other property" to be transferred, paid or delivered; or

(ii) Your account at a "financial institution" to be debited or deleted.

- (2) Loss resulting directly from a "fraudulent instruction" directing a "financial institution" to debit your transfer account" and to transfer, pay or deliver "money" or "securities" from that account.
- (3) As used in Paragraph **g.(1)** above, fraudulent entry or fraudulent change of "electronic data" or "computer program" shall include such entry or change made by an "employee" acting, in good faith, upon a "fraudulent instruction" received from a computer software contractor who has a written agreement with you to design, implement or service "computer programs" for a computer system" covered under this policy.

We will not pay for:

- (1) Loss resulting from a fraudulent:
 - (a) Entry of "electronic data" or "computer program" into; or
 - (b) Change of "electronic data" or computer program within:
any "computer system" owned, leased or operated by you by a person or organization with authorized access to that "computer system", except when covered under Paragraphs **g.(1)(a)** and **g.(1)(b)** above.
- (2) Loss resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored-value or other cards or the information contained on such cards.
- (3) Loss resulting from the giving or surrendering of property in any exchange or purchase.
- (4) Loss resulting from an "employee" or "financial institution" acting upon any instruction to:
 - (a) Transfer, pay or deliver "money", "securities" or "other property", or
 - (b) Debit or delete your account;
which instruction proves to be fraudulent, except when covered under **g.(2)** above.
- (5) Loss, or that part of any loss, the proof of which is to be existence or amount is dependent upon:

- (a) An inventory computation; or
- (b) A profit and loss computation.

Coverage 2 – Identity Theft Expense

We will reimburse any present director or officer of the named insured, for "identity theft expenses" incurred as the direct result of any "identity theft" first discovered and reported during the policy period, provided that it began to occur subsequent to the effective date of the insured's first policy with us.

The Limit of Insurance for this coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

Coverage 3 – Kidnap Expense

We will pay on behalf of any officer or director of the insured, reasonable fees incurred as a result of the kidnapping of them or their spouse, "domestic partner", parent or child during the policy period. Coverage will not apply to any kidnapping by or at the direction of any present or former family member of the victim.

Reasonable fees include:

- (1) Fees and expenses of an independent negotiator or consultant retained with prior approval from us;
- (2) Costs of travel and accommodations incurred by the named insured which become necessary due to the applicable kidnapping;
- (3) The reward paid by the named insured, which is pre-approved by us, to an informant for information not otherwise available which leads to the arrest and conviction of persons responsible for any damages under this policy; and
- (4) The current salary of your officer or director who is kidnapped.

Salary shall be paid for a period commencing upon abduction and ceasing upon:

- (1) The release of the employee or discovery of the death of the employee; or
- (2) 120 days after we receive the last credible evidence that the "employee" is still alive; or
- (3) Twelve (12) months after the date of the kidnapping; or
- (4) The exhaustion of the kidnap expense limit,

whichever comes first.

The Limit of Insurance for this coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

Coverage 4 – Employee Theft

We will pay up to the Limit of Insurance shown in the Schedule in any one "occurrence" for loss of or damage to "money", "securities" and "other property" resulting directly from "theft" committed by an "employee", whether identified or not, acting alone or in collusion with other persons.

For the purposes of this coverage, "theft" shall also include forgery.

Coverage 5 – Forgery Or Alteration

We will pay up to the Limit of Insurance shown in the Schedule in any one "occurrence" for loss resulting directly from "forgery" or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:

- (1) Made or drawn by or drawn upon you; or
- (2) Made or drawn by one acting as your agent;

or that are purported to have been so made or drawn.

For the purposes of this coverage, a substitute check as defined in the Check Clearing for the 21st Century Act shall be treated the same as the original it replaced.

If you are sued for refusing to pay any instrument covered above, on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense. The amount that we will pay is in addition to the Limit of Insurance applicable to this coverage.

Coverage 6 – Money And Securities

We will pay up to the Limit of Insurance shown in the Schedule in any one "occurrence" for loss of "money" and "securities" inside the "premises" or "financial institution premises" resulting directly from "theft", disappearance or destruction.

We will pay up to the Limit of Insurance shown in the Schedule in any one "occurrence", for loss of "money" and "securities" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from "theft", disappearance or destruction.

Coverage 7 – Money Orders and Counterfeit Money

We will pay up to the Limit of Insurance shown in the Schedule in any one "occurrence" for loss resulting directly from your having, in good faith, accepted in exchange for merchandise, "money" or services:

- (a) Money orders issued by any post office, express company or "financial institution" that are not paid upon presentation; or
- (b) "Counterfeit money" that is acquired during the regular course of business.

Under Business Crime **Coverage 1** – Computer Fraud And Funds Transfer Fraud, **Coverage 2** – Identity Theft Expense, **Coverage 3** – Kidnap Expense, **Coverage 4** – Employee Theft, **Coverage 5** – Forgery Or Alteration, **Coverage 6** – Money And Securities and **Coverage 7** – Money Orders And Counterfeit Money we will not pay for:

- (1) Loss resulting from "theft" or any other dishonest act committed by:
 - (a) You; or
 - (b) Any of your partners or "members"; whether acting alone or in collusion with other persons.
- (2) Loss resulting from "theft" or any other dishonest act committed by any of your "employees", "managers", directors, trustees or authorized representatives:
 - (a) Whether acting alone or in collusion with other persons; or
 - (b) While performing services for you or otherwise;
 except when covered under **Coverage 4** – Employee Theft.

- (3) Loss that is an indirect result of an "occurrence" covered by this insurance including, but not limited to, loss resulting from:
 - (a) Your inability to realize income that you would have realized had there been no loss of or damage to "money", "securities" or "other property".
 - (b) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this insurance; or
 - (c) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.
- (4) Fees, costs and expenses incurred by you which are related to any legal action, except when covered under **Coverage 5** – Forgery or Alteration.
- (5) Loss involving virtual currency of any kind, by whatever name known, whether actual or fictitious including, but not limited to, digital currency, crypto currency or any other type of electronic currency.

Under **Coverage 4** – Employee Theft, we will not pay for:

- (1) Loss caused by an "employee" if the "employee" had also committed "theft" or any other dishonest act prior to the effective date of this insurance and you or any of your partners, "members", "managers", officers, directors or trustees, not in collusion with the "employee", learned of such "theft" or dishonest act prior to the Policy Period shown in the Declarations.
- (2) Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
 - (a) An inventory computation; or
 - (b) A profit and loss computation.
 However, where you establish wholly apart from such computations, that you have sustained a loss, then you may offer your inventory records and actual physical count of inventory in support of the amount of loss claimed.
- (3) Loss resulting from trading, whether in your name or in a genuine or fictitious account.

- (4) Loss resulting from fraudulent or dishonest signing, issuing, canceling or failing to cancel, a warehouse receipt or any papers connected with it.

Under **Coverage 6 – Money & Securities** we will not pay for:

- (1) Loss resulting from accounting or arithmetical errors or omissions.
- (2) Loss resulting from the giving or surrendering of property in any exchange or purchase.
- (3) Loss of property contained in any money operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.
- (4) Loss of or damage to property after it has been transferred or surrendered to a person or place outside the "premises" or "financial institution premises":
 - (a) On the basis of unauthorized instructions; or
 - (b) As a result of a threat including, but not limited to:
 - (i) A threat to do bodily harm to any person; or
 - (ii) A threat to do damage to any property;
 - (iii) A threat to introduce a denial of service attached into any computer system;
 - (iv) A threat to introduce a virus or other malicious instruction into any computer system which is designed to damage, destroy or corrupt "electronic data" or "computer programs" stored within the "computer system";
 - (v) A threat to contaminate, pollute or render substandard your products or goods; or
 - (vi) A threat to disseminate, divulge or utilize:
 - (a) Your confidential information;
 - (b) Confidential or personal information of another person or organization; or
 - (c) Weaknesses in the source code within any "computer system".

However, this exclusion does not apply to loss of "money", "securities" or "other property" while outside the "premises" in the care and custody of a "messenger" if you:

- (a) Had no knowledge of a threat at the time the conveyance began; or
- (b) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.

The following Conditions apply to **Business Crime** in addition to the **Common Policy Conditions** and **Commercial Property Conditions**.

Termination As To Any Employee

This insurance terminates as to any "employee" as soon as:

- (a) You; or
- (b) Any of your partners, "members", "managers", officers, directors or trustees not in collusion with the "employee";

learn of "theft" or any other dishonest act committed by the "employee" whether before or after becoming employed by you.

Extended Period To Discover Loss

- (1) We will pay for loss that you sustained prior to the effective date of cancellation of this insurance, which is "discovered" by you no later than one year from the date of that cancellation.
- (2) However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by you, whether from us or another insurer, replacing in whole or in part the coverage afforded hereunder, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

Subject to the conditions **Loss Sustained Partly During This Insurance And Partly During Prior Insurance; and Loss Sustained Entirely During Prior Insurance:**

We will pay if you sustain loss resulting directly from an "occurrence" taking place during the Policy Period shown in the Declarations which is "discovered" by you during the Policy Period shown in the Declarations or during the period of time provided in the **Extended Period To Discover Loss** condition.

Loss Sustained Partly During This Insurance And Partly During Prior Insurance

If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place:

- (1) Partly during the Policy Period shown in the Declarations; and
- (2) Partly during the policy period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest;

and this insurance became effective at the time of cancellation of the prior insurance, we will first settle the amount of loss that you sustained during this Policy Period. We will then settle the remaining amount of loss that you sustained during the policy period(s) of the prior insurance.

The most we will pay for the entire loss is the highest single Limit of Insurance applicable during the period of loss, whether such limit was written under this insurance or was written under the prior insurance issued by us.

Loss Sustained Entirely During Prior Insurance

If you "discover" loss during the Policy Period shown in the Declarations resulting directly from an "occurrence" taking place entirely during the policy period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest, we will pay for the loss, provided:

- (1) This insurance became effective at the time of cancellation of the prior insurance; and
- (2) The loss would have been covered under this insurance had it been in effect at the time of the "occurrence".

We will first settle the amount of loss that you sustained during the most recent prior insurance. We will then settle any remaining amount of loss that you sustained during the policy period(s) of any other prior insurance.

The most we will pay for the entire loss is the highest single Limit of Insurance applicable during the period of loss, whether such limit was written under this insurance or was written under the prior insurance issued by us.

Records

You must keep records of all property covered under this insurance so we can verify the amount of any loss.

Recoveries

- (1) Any recoveries, whether effected before or after any payment under this insurance, whether made by us or you, shall be applied net of the expense of such recovery:
 - (a) First, to you in satisfaction of your covered loss in excess of the amount paid under this insurance;
 - (b) Second, to us in satisfaction of amounts paid in settlement of your claim;
 - (c) Third, to you in satisfaction of any Deductible Amount; and
 - (d) Fourth, to you in satisfaction of any loss not covered under this insurance.
- (2) Recoveries do not include any recovery:
 - (a) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
 - (b) Of original "securities" after duplicates of them have been issued.

Valuation – Settlement

- (1) We will pay for:
 - (a) Loss of "money" but only up to and including its face value. We will, at your option, pay for loss of "money" issued by any country other than the United States of America.
 - (i) At face value in the "money" issued by that country; or
 - (ii) In the United States of America dollar equivalent determined by the rate of exchange published in the Wall Street Journal on the day the loss was "discovered".
 - (b) Loss of "securities" but only up to and including their value at the close of business on the day the loss was "discovered". We may, at our option:
 - (i) Pay the value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or

(ii) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:

(a) Market Value of the "securities" at the close of business on the day the loss was "discovered"; or

(b) The Limit of Insurance applicable to the "Securities".

(c) Loss of or damage to "other property" or loss from damage to the "premises" or its exterior for the replacement cost of the property without deduction for depreciation. However, we will not pay more than the least of the following:

(i) The Limit of Insurance applicable to the lost or damaged property;

(ii) The cost to replace the lost or damaged property with property of comparable material and quality and used for the same purpose; or

(iii) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

We will not pay on a replacement cost basis for any loss or damage:

(i) Until the lost or damaged property is actually repaired or replaced; and

(ii) Unless the repairs or replacement is made as soon as reasonably possible after the loss or damage.

If the lost or damaged property is not repaired or replaced, we will pay on an actual cash value basis.

(2) We will, at your option, pay for loss or damage to such property:

(a) In the "money" of the country in which the loss or damage occurred; or

(b) In the United States of America dollar equivalent of the "money" of the country in which the loss or damage was sustained, determined by the rate of exchange published in The Wall Street Journal on the day the loss was "discovered".

(3) Any property that we pay for or replace becomes our property.

The following Condition applies to **Coverage 4 – Employee Theft.**

Territory

We will pay for loss caused by any "employee" while temporarily outside the territory specified in the Commercial Property Conditions for a period of not more than 90 consecutive days.

The following Condition applies to **Coverage 5 – Forgery or Alteration.**

(1) The Deductible Amount does not apply to legal expenses paid under **Coverage 5 – Forgery or Alteration** coverage.

(2) We will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.

(3) You must include with your proof of loss any instrument involved in that loss, or, if that is not possible, an affidavit setting forth the amount and cause of loss.

(4) We will cover loss you sustain resulting directly from an "occurrence" taking place within the coverage territory. We also provide coverage in a country that is not the subject of trade embargos, economic sanctions or other trade restrictions by the government of the United States of America.

The following Condition applies to **Coverage 6 – Theft of Money and Securities – Outside the Premises.**

Armored Motor Vehicle Companies

We will only pay for the amount of loss you cannot recover:

(1) Under your contract with the armored motor vehicle company; and

(2) From any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

The following **Definitions** apply to **Business Crime** in addition to the Definitions in the Building and Personal Property Coverage Form, Condominium Association Coverage Form, and Condominium Commercial Unit Owners Coverage Form.

- (1) "Computer program" means a set of related electronic instructions, which direct the operation and function of a computer or devices connected to it, which enable the computer or devices to receive, process, store or send "electronic data".
- (2) "Computer system" means:
 - (a) Computers, including Personal Digital Assistants (PDAs) and other transportable or handheld devices, electronic storage devices and related peripheral components;
 - (b) Systems and applications software; and
 - (c) Related communications networks; by which "electronic data" is collected, transmitted, processed, stored or retrieved.
- (3) "Counterfeit money" means an imitation of "money" which is intended to deceive and to be taken as genuine.
- (4) "Discover" or "discovered" means the time when you first become aware of facts which would cause a reasonable person to assume that a loss of a type covered by this insurance has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact amount or details of loss may not then be known.
 "Discover" or "discovered" also means the time when you first receive notice of an actual or potential claim in which it is alleged that you are liable to a third party under circumstances which, if true, would constitute a loss under this insurance.
- (5) "Electronic data" means information, facts, images or sounds stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software) on data storage devices, including hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

(6) "Employee"

(a) Employee means:

(i) Any natural person:

- (a) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to "theft" or any dishonest act committed by the "employee";
- (b) Whom you compensate directly by salary, wages or commissions; and
- (c) Whom you have the right to direct and control while performing services for you;

(ii) Any natural person who is furnished temporarily to you:

- (a) To substitute for a permanent "employee" as defined in Paragraph (i) above, who is on leave; or
- (b) To meet seasonal or short-term work load conditions;

while that person is subject to your direction and control and performing services for you;

(iii) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph (ii) above;

(iv) Any natural person who is a trustee, officer, employee, administrator or manager, except an administrator or manager who is an independent contractor.

(v) Any natural person who is a former "employee", partner, "member", "manager", director or trustee retained by you as a consultant while performing services for you;

(vi) Any natural person who is a guest student or intern pursuing studies or duties;

(vii) Any natural person employed by an entity merged or consolidated with you prior to the effective date of this insurance; and

(viii) Any natural person who is your "manager", director or trustee while:

- (a) Performing acts within the scope of the usual duties of an "employee"; or
 - (b) Acting as a member of any committee duly elected or appointed by resolution of your board of directors or board of trustees to perform specific, as distinguished from general, directorial acts on your behalf.
- (b) "Employee" does not mean any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character not specified in Paragraph (iii) above.
- (7) "Financial institution" under Paragraph **g. Business Crime, Coverage 6 – Money And Securities** means:
- (a) A bank, savings bank, savings and loan association, trust company, credit union or similar depository institution; or
 - (b) An insurance company.
- (8) "Financial institution" under Paragraph **g. Business Crime, Coverage 1 – Computer Fraud And Funds Transfer Fraud** means:
- (a) A bank, savings bank, savings and loan association, trust company, credit union or similar depository institution; or
 - (b) An insurance company; or
 - (c) A stock brokerage firm or investment company
- (9) "Financial institution premises" means the interior of that portion of any building occupied by a "financial institution".
- (10) "Forgery" means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.
- (11) "Fraudulent instruction" under Paragraph **g. Business Crime, Coverage 1 – Computer Fraud And Funds Transfer Fraud Paragraph (1)** means:
- (a) A computer, telefacsimile, telephone or other electronic instruction directing a "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that "transfer account", which instruction purports to have been issued by your, but which in fact was fraudulently issued by someone else without your knowledge or consent; or
 - (b) A written instruction issued to a "financial institution" directing the "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that "transfer account", through an electronic funds transfer system at specified times or under specified conditions, which instruction purports to have been issued by you, but which in fact was issued, forged or altered by someone else without your knowledge or consent.
- (12) "Fraudulent instruction" under Paragraph **g. Business Crime, Coverage 1 – Computer Fraud and Funds Transfer Fraud Paragraph (2)** means:
- A computer, telefacsimile, telephone or other electronic, written or voice instruction directing an "employee" to enter or change "electronic data" or "computer programs" within a "computer system" covered under this insurance, which instruction in fact was fraudulently issued by your computer software contractor.
- (13) "Identity theft" means the act of knowingly transferring or using without lawful authority a means of identification of any Officer or Director (or spouse thereof) of the named insured with the intent to commit or to aid or abet another to commit any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.
- (14) "Identity theft expenses" means:
- (a) Costs for notarizing fraud affidavits or similar documents for financial institutions or similar credit grantors or credit agencies that have required that such affidavits be notarized.
 - (b) Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors.

- (c) Loan application fees for re-applying for loan or loans when the original application is rejected solely because the lender received incorrect credit information due to "identity theft".
- (15) "Manager" means a natural person serving in a directional capacity for a limited liability company.
- (16) "Member" means an owner of a limited liability company represented by its membership interest, who, If a natural person, also may serve as a "manager".
- (17) "Messenger" means you, or a relative, or any of your partners or "members", or any "employee" while having care and custody of property outside the "premises".
- (18) "Money" means:
- (a) Currency, coins, bank notes in current use and having a face value;
 - (b) Travelers checks, and money orders held for sale to the public; and
 - (c) Deposits in your account at any "financial institution".
- (19) "Occurrence" means:
- (a) As respects to **Coverage 4 – Employee Theft**:
 - (i) An individual act;
 - (ii) The combined total of all separate acts whether or not related; or
 - (iii) A series of acts whether or not related;

committed by an "employee" acting alone or in collusion with other persons, during the Policy Period shown in the Declarations, except as provided under Paragraph **g**. Business Crime Condition **Loss Sustained During Prior Insurance Issued By Us Or Any Affiliate** or **Loss Sustained During Prior Insurance Not Issued By Us Or Any Affiliate**.
 - (b) As respects to **Coverage 5 – Forgery or Alteration**, all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments.
 - (i) An individual act;
 - (ii) The combined total of all separate acts whether or not related; or
- (iii) A series of acts whether or not related;
- committed by a person acting alone or in collusion with other persons, involving one or more instruments, during the Policy Period shown in the Declarations, except as provided under Paragraph **g**. Business Crime Condition **Loss Sustained During Prior Insurance Issued By Us Or Any Affiliate** or **Loss Sustained During Prior Insurance Not Issued By Us Or Any Affiliate**.
- (c) As respects to **Coverage 1 – Computer Fraud and Funds Transfer Fraud**, **Coverage 6 – Theft of Money and Securities Inside the Premises and Outside the Premises**, and **Coverage 7 – Money Orders and Counterfeit Money**
- (i) An individual act or event;
 - (ii) The combined total of all separate acts or events whether or not related; or
 - (iii) A series of acts or events whether or not related;

committed by a person acting alone or in collusion with other persons, or not committed by any person, during the Policy Period shown in the Declarations, except as provided under Paragraph **g**. Business Crime Condition **Loss Sustained During Prior Insurance Issued By Us Or Any Affiliate** or **Loss Sustained During Prior Insurance Not Issued By Us Or Any Affiliate**.
- (20) "Other property" means any tangible property other than "money" and "securities" that has intrinsic value. "Other property" does not include "computer programs", "electronic data" or any property specifically excluded under this insurance.
- (21) "Premises" means the interior of that portion of any building you occupy in conducting your business.
- (22) "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or property and includes:
- (a) Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and

- (b) Evidence of debt issued in connection with credit or charge cards, which cards are not issued by you;

But does not include "money".

- (23) "Theft" means the unlawful taking of property to the deprivation of the Insured.
- (24) "Transfer account" means an account maintained by you at a "financial institution" from which you can initiate the transfer payment or delivery of "money" or "securities":
- (a) By means of computer, telefacsimile, telephone or other electronic instructions; or
 - (b) By means of written instruction establishing the conditions under which such transfer are to be initiated by such "financial institution" through an electronic funds transfer system.

h. Business Income

Causes of Loss – Special Form, Paragraph **B. Exclusions, 4. Special Exclusions,** Paragraphs **a.(1)** through **(5)** apply to this additional coverage.

Business Income From Dependent Properties

- (1) We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss or damage at the premises of a "dependent property", "secondary contributing location" or "secondary recipient location" caused by or resulting from a Covered Cause of Loss.
- (2) However, this Additional Coverage does not apply when the only loss to "dependent property" is loss or damage to "electronic data", including destruction or corruption of "electronic data". If the "dependent property" sustains loss or damage to "electronic data" and other property, coverage under this Coverage Extension will not continue once the other property is repaired, rebuilt or replaced.
- (3) The most we will pay under this Additional Coverage is the Limit of Insurance shown in the Schedule.

- (4) We will reduce the amount of your Business Income loss, other than Extra Expense, to the extent you can resume "operations", in whole or in part, by using any other available:

- (a) Source of materials; or
- (b) Outlet for your products.

- (5) We will reduce the amount of your Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

- (6) The coverage period for Business Income under this Additional Coverage:

- (a) Begins immediately after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the "dependent property", "secondary contributing location" or "secondary recipient location"; and

- (b) Ends on the date when the property at the premises of the "dependent property", "secondary contributing location" or "secondary recipient location" should be repaired, rebuilt or replaced with reasonable speed and similar quality.

- (7) The Business Income coverage period, as stated in Paragraph **(6)**, does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:

- (a) Regulates the construction, use or repair, or requires the tearing down, of any property; or
- (b) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".

The expiration date of this policy will reduce the Business Income coverage period.

The following **Definitions** apply to Business Income From Dependent Properties in addition to the Building and Personal Property Coverage Form, Condominium Association Coverage Form and Condominium Commercial Unit Owners Coverage Form definitions.

- (1) "Dependent property" means property operated by others whom you depend on to:

(a) Deliver materials or services to you, or to others for your account (Contributing Locations). But any property which delivers any of the following services is not a Contributing Location with respect to such services:

- (i) Water Supply Services;
- (ii) Power supply services;
- (iii) Wastewater removal services; or
- (iv) Communication supply services, including services relating to Internet access or access to any electronic network;

(b) Accept your products or services (Recipient Locations);

(c) Manufacture products for deliver to your customers under contract of sale (Manufacturing Locations); or

(d) Attract customers to your business (Leader Locations).

(2) "Secondary contributing location" is an entity which:

(a) Is not owned or operated by the Contributing Location; and

(b) Delivers materials or services to the Contributing Location which in turn are used by that Contributing Location in providing materials or services to you.

A road, bridge, tunnel, waterway, airfield, pipeline or any other similar area or structure is not a "secondary contributing location".

Any property which delivers any of the following services is not a "secondary contributing location" with respect to such services:

- (a) Water Supply Services;
- (b) Power supply services;
- (c) Wastewater removal services; or
- (d) Communication supply services, including services relating to Internet access or access to any electronic network.

(3) "Secondary recipient location" is an entity which:

(a) Is not owned or operated by the Recipient Location; and

(b) Accepts materials or services to the Recipient Location which in turn accepts your materials or services.

A road, bridge, tunnel, waterway, airfield, pipeline or any other similar area or structure is not a "secondary recipient location".

The "dependent property", "secondary contributing location" or "secondary recipient location" must be located in the coverage territory of this policy.

(4) "Period of restoration" means the period of time that:

(a) Begins immediately after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the "dependent property" (or "secondary contributing location" or "secondary recipient location"); and

(b) Ends on the date when the property at the described premises of the "dependent property" or "secondary contributing location" or secondary recipient location" should be repaired, rebuilt or replaced with reasonable speed and similar quality; or

"Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:

(a) Regulates the construction, use or repair, or requires the tearing down of any property; or

(b) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

(5) "Suspension" means the slowdown or cessation of your business activities.

Section D. Deductible does not apply.

Business Income and Extra Expense

We will pay the actual loss of Business Income and necessary Extra Expense you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by a direct physical loss of or damage to property at premises which are described in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 1,000 feet of such premises.

With respect to the requirements set forth in the preceding Paragraph, if you occupy only part of a building, your premises means:

- (1) The portion of the building which you rent, lease or occupy;
- (2) The area within 1,000 feet of the building or within 1,000 feet of the premises described in the Declarations, whichever distance is greater (with respect to loss of or damage to personal property in the open or personal property in a vehicle); and
- (3) Any area within the building or at the described premises, if that area services, or is used to gain access to, the portion of the building which you rent, lease or occupy.

Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

We will pay Extra Expense (other than the expense to repair or replace property) to:

- (1) Avoid or minimize the "suspension" of business and to continue your "operations" at the described premises or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.
- (2) Minimize the "suspension" of business if you cannot continue your operations.
- (3) To research, replace, or restore the information on damaged valuable papers and records, but only if those expenses reduce the amounts otherwise payable in this Endorsement.

We will also pay Extra Expense to repair or replace property, but only to the extent it reduces the amount of loss that otherwise would have been payable under this coverage extension.

The amount of Business Income loss will be determined based on:

- (1) The Net Income of the business before the direct physical loss or damage occurred;
- (2) The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
- (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
- (4) Other relevant sources of information, including:
 - (a) Your financial records and accounting procedures;
 - (b) Bills, invoices and other vouchers; and
 - (c) Deeds, liens or contracts.

The amount of Extra Expense will be determined based on:

- (1) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
 - (a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
 - (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
- (2) Necessary expenses that reduce the Business Income otherwise incurred.

We will reduce the amount of your Business Income loss, to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.

If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

The following **Definitions** apply to Business Income and Extra Expense in addition to the Definitions in the Building and Personal Property Coverage Form, Condominium Association Coverage Form, and Condominium Commercial Unit-Owners Coverage Form.

(1) "Business Income" means the:

- (a)** Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
- (b)** Continuing normal operating expenses incurred, including payroll.

For manufacturing risks, Net Income includes the net sales value of production.

(2) "Operations" means:

Your business activities occurring at the described premises.

(3) "Period of restoration" means the period of time that:

- (a)** Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and
- (b)** Ends on the earlier of:
 - (i)** The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (ii)** The date when business is resumed at a new permanent location.

"Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:

- (a)** Regulates the construction, use or repair, or requires the tearing down of any property; or

- (b)** Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

(4) "Suspension" means the slowdown or cessation of your business activities.

The most we will pay for loss or damage under this Additional Coverage at each described premises is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

Civil Authority

We will extend this coverage to apply to actual loss of Business Income you sustain caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

- (1)** Access to the area immediately, surrounding the damaged property is prohibited by civil authority as a result of the damage and the described premises are within that area but are not more than one mile from the damaged property; and
- (2)** The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority Coverage will apply for a period of up to 72 hours after the time of the first action of civil authority that prohibits access to the described premises.

Section D. Deductible does not apply.

Lost Lease Protection

We will pay for Business Income and Extra Expense costs you incur for "lost lease interest" due to cancellation of lease contracts by your tenants. Cancellation must result from a direct physical loss by a Covered Cause of Loss to covered real property during the policy period.

"Lost lease interest" means:

The difference between the rent payments you were collecting prior to a covered loss and the total anticipated rental income including any tenant obligations you may be responsible for after the loss or damage has been repaired or rebuilt.

"Lost lease interest" does not include refunds or rebates for prepaid rent payments made on your behalf by tenants, or deposits of any kind made by tenants to a landlord or lessor of other premises.

Coverage begins with the date of direct physical loss and ends on the date when the property should be repaired, rebuilt or replaced with reasonable speed and similar quality.

The most we will pay under this Additional Coverage is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

i. Business Travel Accidental Death Benefit

We will pay a Business Travel Accidental Death Benefit for any expenses incurred by the named insured if a director or officer suffers an "injury" resulting in death or loss of limbs, sight, speech or hearing as described in Paragraph (2) below, while traveling on a common carrier for business purposes during the policy period.

- (1) There will be no coverage if the cause of the "injury" that resulted in loss was:
 - (a) an intentional act by the insured;
 - (b) an act of suicide or attempted suicide, whether or not the deceased was sane or insane at the time of the attempted suicide;
 - (c) an act of war; or
 - (d) a disease process.
- (2) For the purpose of this additional coverage, we will pay the Business Travel Accident Benefit amount if the "injury" resulted in:
 - (a) Physical damage to the body caused by violence, fracture, or an accident during the policy term that results in loss of life not later than 180 days after the policy expiration, the date of cancellation or the date of non-renewal;
 - (b) Accidental loss of limbs or multiple fingers;
 - (c) Total loss of sight, speech or hearing.

"Injury" means any physical damage to the body caused by accident, violence, sickness or disease sustained by a person, including death resulting from any of these at any time.

The Limit of Insurance provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

j. Conference Cancellation

We will reimburse the insured for any business-related expenses, paid by the insured and not otherwise reimbursed, for a canceled conference that an employee was scheduled to attend.

With respect to this coverage:

- (1) The insured employee must have registered for the conference at least 30 days prior to the cancellation; and
- (2) The cancellation must be ordered by a local, state or federal Board of Health or other governmental authority having jurisdiction over the location of the conference.

The limit of insurance provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

k. Donation Assurance

We will reimburse you for "failed donation claim(s)".

- (1) With respect to any "failed donation claim":
 - (a) The donor must never have been in bankruptcy, nor have filed for bankruptcy/reorganization prior to the time said pledge was made to the insured;
 - (b) For non-cash donations, payment will be based on the fair market value of said non-cash donation at the time of the "failed donation claim";
 - (c) In the case of unemployment incapacitation of a donor and as a condition of payment of the "failed donation claim":
 - (i) neither you nor the donor shall have had reason to believe the donor would become unemployed or incapacitated subsequent to the donation date and;
 - (ii) the donor shall be unemployed for at least 60 days prior to us making payment;

(d) No coverage shall be afforded for a written pledge of funds or other measurable tangible property to you dated prior to the policy period;

(e) A donation amount which is to be collected over more than a 12 month period shall be deemed a single donation.

(2) "Failed donation claim" means written notice to the Insured during the Policy Period of:

(a) the bankruptcy or reorganization of any donor whereby such bankruptcy or reorganization prevents the donor from honoring a prior written pledge of funds or other measurable tangible property to the Insured; or

(b) the unemployment or incapacitation of a natural person donor preventing him/her from honoring a prior written pledge of funds or other measurable tangible property to the Insured.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

i. Emergency Real Estate Consulting Fee

We will reimburse you for any realtor's fee or real estate consultant's fee you incur resulting from your need to relocate due to the "unforeseeable destruction" of your principal location as shown on the declarations.

"Unforeseeable destruction" means damage resulting from a "Certified Act of Terrorism", fire, crash or collapse which renders all of the Insured's primary location completely unusable.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

m. Fire Extinguisher Systems Recharge Expense

We will pay:

The cost of recharging or replacing, whichever is less, your fire extinguishers and fire extinguishing systems (including hydrostatic testing if needed) if they are discharged on or within 1,000 feet of the described premises; and

For loss or damage to Covered Property if such loss or damage is the result of an accidental discharge of chemicals from a fire extinguisher or fire extinguishing system.

No coverage will apply if the fire extinguishing system is discharged during installation or testing.

Section D. Deductible does not apply.

n. Fundraising Event Blackout

We will reimburse the insured for fundraising event expenses that are incurred due to the cancellation of a fundraising event caused by the lack of electric supply resulting in a power outage, provided the fundraising event is not re-scheduled. The fundraising event must have been planned at least 30 days prior to the power outage.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

o. Image Restoration Counseling

We will reimburse you for expenses incurred for image restoration and counseling arising out of "improper acts" by any Insured. Covered expenses are limited to:

- (1) The costs of rehabilitation and counseling for the accused Insured provided the Insured is not ultimately found guilty of criminal conduct, said reimbursement to occur after acquittal of the Insured;
- (2) The costs, charged by a recruiter or expended on advertising, of replacing an officer as a result of "improper acts"; and
- (3) Up to \$10,000 for the costs of restoring the Named Insured's reputation and consumer confidence through image consulting.

"Improper acts" means any actual or alleged act of:

- (a) Sexual abuse;
- (b) Sexual intimacy;
- (c) Sexual molestation; and/or
- (d) Sexual assault;

committed by an Insured against any natural person who is not an Insured. Such "improper acts" must have been committed by the Insured while in his or her capacity as an insured.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

p. Officers Or Directors Replacement Expenses

We will pay "Officers or Directors Replacement Expenses" if the executive officer or director suffers an "injury" while in the course of employment during the policy period which results in the loss of life during the policy period.

"Officers or Directors Replacement Expenses" means:

- (1) Costs of advertising the employment position opening;
- (2) Travel, lodging, meal and entertainment expenses incurred in interviewing job applicants for the employment position opening; and
- (3) Miscellaneous extra expenses incurred in finding, interviewing and negotiating with the job applicants, including, but not limited to, overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up employment contracts.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

q. Political Unrest Coverage

We will reimburse any present director, officer, employee or volunteer of the named insured while traveling outside the United States of America for "emergency evacuation expenses" that are incurred as a result of an incident of "political unrest". This "political unrest" must occur during the policy period. No coverage is granted for travel to countries in a state of "political unrest" at the time of departure of the travel.

- (1) "Emergency Evacuation Expense" means:
 - (a) Additional lodging expenses;
 - (b) Additional transportation expenses;
 - (c) The cost of obtaining replacements of lost or stolen travel documents necessary for evacuation from the area of "political unrest"; and
 - (d) Translation services, message transmittals and other communication expenses;

provided these expenses are not otherwise reimbursable.

(2) "Political Unrest" means"

- (a) A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risk to the security of citizens of the United States;
- (b) A long-term condition of disturbance, turmoil or agitation that makes a foreign country dangerous or unstable for citizens of the United States; or
- (c) A condition of disturbance, turmoil or agitation within a foreign country that constrains the United States Government's ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff;

for which either an alert of travel warning has been issued by the United States Department of State.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

r. Temporary Meeting Space Rental

We will reimburse you for the rental of meeting space which is necessitated by the temporary unavailability of your primary office space due to the failure of a climate control system, or leakage of a hot water heater during the policy period. Coverage will exist only for the renting of temporary meeting space required for meeting with parties who are not insured under this policy.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

s. Terrorism Travel Reimbursement

We will reimburse any of your present directors or officers in the event of a "Certified Act of Terrorism" during the policy period which necessitates that he/she incurs "Emergency Travel Expenses".

"Emergency Travel Expenses" means:

- (1) Hotel expenses incurred which directly result from the cancellation of a scheduled transport by a common carrier resulting directly from and within forty-eight hours of a "Certified Act of Terrorism"; and
- (2) The increased amount incurred in air or train fare which may result from rescheduling comparable transport, to replace a similarly scheduled transport canceled by a common carrier in direct response to a "Certified Act of Terrorism".

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

t. Travel Delay Reimbursement

We will reimburse any of your present directors or officers for any non-reimbursable expenses they incur as a result of the cancellation of any regularly scheduled business travel on a common carrier.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

A 72 hour waiting period deductible applies to this Additional Coverage.

u. Workplace Violence Counseling

In the event that an incidence of "workplace violence" occurs we will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by this "workplace violence".

Extra Expense is extended to include the cost of mental health counseling for "employees" following an incident of "workplace violence".

"Workplace violence" means any intentional use of or threat to use deadly force with intent to cause harm and that results in bodily "injury" or death of an insured, and insured's employee or any other person while on your premises.

"Injury" means any physical damage to the body caused by an accident, violence, sickness or disease sustained by a person, including death resulting from any of these at any time.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

E. Coverage Extensions

1. When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form, under **Section A. Coverage Extensions**, Paragraph **5.a. Newly Acquired or Constructed Property** is deleted and replaced by:

a. Newly Acquired or Constructed Property

- (1) **Buildings** – if this policy covers Building, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at locations, other than the described premises, intended for:
 - (i) Similar use as the building described in the Declarations; or
 - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Coverage Extension at each building is the Limit of Insurance shown in the Schedule.

(2) Your Business Personal Property

- (a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:
 - (i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions; or
 - (ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
 - (iii) Business personal property that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Extension at each building is the Limit of Insurance shown in the Schedule.

- (b) This Extension does not apply to:
 - (i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or

- (ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period of Coverage

With respect to insurance provided under this Coverage Extension for Newly Acquired Or Constructed Property, coverage will end when any of the following first occurs:

- (a) This policy expires;
- (b) The number of days shown in the Schedule expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

The limit of insurance provided for this Coverage Extension is in addition to **Section C. Limits Of Insurance.**

Section D. Deductible applies to this Coverage Extension.

2. When this endorsement is attached to Condominium Commercial Unit-Owners Coverage Form under **Section A.5 Coverage Extensions**, Paragraph **a. Newly Acquired Property** is deleted and replaced by:

a. Newly Acquired Property

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to:
 - (a) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions; or
 - (b) Business personal property including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declaration; or
 - (c) Business personal property that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Coverage Extension at each building is the Limit of Insurance shown in the Schedule.

- (2) This Extension does not apply to:

- (a) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or
- (b) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period of Coverage

With respect to insurance provided under this Coverage Extension for Newly Acquired Property, coverage will end when any of the following first occurs:

- (a) This policy expires;
- (b) The number of days shown in the Schedule expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

The limit of insurance provided for this Coverage Extension is in addition to **Section C. Limits Of Insurance.**

Section D. Deductible applies to this Coverage Extension.

3. Paragraph **b. Personal Effects and Property Of Others** is deleted and replaced by:

b. Personal Effects and Property Of Others

You may extend the insurance that applies to Your Business Personal Property to apply to:

- (1) Personal Effects owned by you, your officers, your partners or members, your managers or your employees. This Extension does not apply to loss or damage by theft.

The most we will pay for loss or damage to Personal Effects under this Coverage Extension at each described premises is the Limit of Insurance shown in the Schedule, subject to the separate Employee Tools Maximum Limit of Insurance applicable at each described premises.

- (2) Personal Property of Others in your care, custody or control. The most we will pay for loss or damage to Personal Property of Others under this Coverage Extension at each described premises is the Limit of Insurance shown in the Schedule, subject to the separate Employee Tools Maximum Limit of Insurance applicable at each described premises. Coverage applies on a Replacement Cost basis when Business Personal Property valuation is Replacement Cost.

If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the lessor of the replacement cost of the property or the applicable Limit of Insurance.

The limit of insurance provided for this Coverage Extension is in addition to **Section C. Limits Of Insurance.**

Section D. Deductible does not apply to this Coverage Extension.

4. Paragraph **c. Valuable Papers and Records – (Other Than Electronic Data)** is deleted and replaced by:

c. Valuable Papers And Records

You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records, including those which exist as electronic data, for which duplicates do not exist.

We do not pay for loss caused by electrical or magnetic damage, disturbance, or erasure of electronic recordings. But we do cover loss or damage, disturbance, or erasure caused by lightning.

We do not pay for loss caused by errors or omissions in processing, duplicating, or copying. But if errors or omissions result in a fire or explosion, we do cover the loss or damage caused by the fire or explosion.

The most we will pay for loss or damage under this Coverage Extension at each described premises and for "valuable papers and records" not at the described premises are the Limits of Insurance shown in the Schedule.

The limit of insurance provided for this Coverage Extension is in addition to **Section C. Limits Of Insurance.**

Section D. Deductible does not apply to this Coverage Extension.

5. Paragraph **d. Property Off-Premises** is deleted and replaced by:

d. Property Off-Premises

You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:

- (1) Temporarily at a location you do not own, lease or operate; or
- (2) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term.

This Coverage Extension does not apply to Covered Property:

- (1) In or on a vehicle;
- (2) In the care, custody or control of your salesperson;
- (3) At any fair or exhibition;
- (4) Owned by you, or for which you are legally liable, that is to be installed by you or at your direction, while the property is at a jobsite location.
- (5) Money and securities;
- (6) Contractors equipment or tools used to conduct your operations away from the described premises;
- (7) Accounts receivable; or
- (8) Valuable papers.

The most we will pay for loss or damage under this Coverage Extension is the Limit of Insurance shown in the Schedule. Insurance under this Coverage Extension will end when any of the following first occurs:

- (1) This policy expires, or
- (2) 90 days expire after your Covered Property is temporarily at a location you do not own, lease or operate.

The limit of insurance provided for this Coverage Extension is in addition to **Section C. Limits Of Insurance.**

Section D. Deductible does not apply to this Coverage Extension.

6. Paragraph **e. Outdoor Property** is deleted and replaced by:

e. Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to your radio and television antennas (including satellite dishes), trees, shrubs and plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), including debris removal expense, caused by or resulting from the following causes of loss if they are Covered Causes of Loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or Civil Commotion; or
- (5) Aircraft.

The most we will pay for loss or damage under this Coverage Extension is the Maximum Limit of Insurance for all items, subject to the separate Maximum Limit of Insurance applicable to each tree, shrub or plant, shown in the Schedule. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

Subject to all aforementioned terms and limitations of coverage, this Coverage Extension includes the expense of removing from the described premises the debris of trees, shrubs and plants which are the property of others, except in the situation in which you are a tenant and such property is owned by the landlord of the described premises.

The limit of insurance provided for this Coverage Extension is in addition to **Section C. Limits Of Insurance**.

Section D. Deductible does not apply to this Coverage Extension.

- F. The following coverages are added to **Section A.5. Coverage Extensions**:

5. Coverage Extensions

In addition to the Limits Of Insurance under the Building and Personal Property Coverage Form, Condominium Association Coverage Form, or Condominium Commercial Unit-Owners Coverage Form you may extend the insurance provided by this policy to these Coverage Extensions.

Unless otherwise indicated, the Limits Of Insurance provided by these Coverage Extensions are in addition to **Section C. Limits Of Insurance**.

Unless otherwise indicated **Section D. Deductible** applies to these Coverage Extensions.

h. Building Material Theft

We will pay for loss or damage by theft or attempted theft of building materials and supplies not attached as part of the building or structure located either on or off premises owned by you.

The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Schedule.

i. Accounts Receivable

You may extend the insurance that applies to Your Business Personal Property to apply to your accounts receivable records.

In the event of a loss to your accounts receivable records caused by a covered peril, we cover:

- (1) The sums that are due and that you cannot collect from your customers because of the loss;
- (2) The interest charge on a loan if that loan is used to offset those sums that cannot be collected, pending our payment of those sums;
- (3) Collection costs that result from a loss which are above your normal collection costs; and
- (4) The reasonable cost to reconstruct your accounts receivable records.

We do not pay for loss that results from electrical or magnetic damage, disturbance or erasure of electronic data or records that is caused by:

- (1) Erroneous programming or faulty equipment instructions;
- (2) Faulty or inadequate installation or maintenance of data processing equipment.

But we do cover loss or damage caused by lightning.

We do not pay for loss caused by bookkeeping, accounting, or billing errors or omissions.

If a loss occurs and you cannot establish the actual accounts receivable amount due, it will be determined as follows:

- (1) We will determine the average monthly accounts receivable for the 12-month period that directly precedes the month in which the loss occurred; and
- (2) We will adjust this average amount for any verifiable variance in the accounts receivable amount for the month in which the loss occurred.

We do not cover more than your insurable interest in any property.

We will pay the lesser of:

- (1) The total sum of accounts receivable due. From this total we will deduct:
 - (a) All amounts due from the accounts receivable records that are not lost;
 - (b) All amounts due that can be established by other means;
 - (c) All amounts due that you have collected from the records that are lost;
 - (d) All unearned interest and service charges; and
 - (e) An amount to allow for bad debts.
- (2) The reasonable cost to reconstruct your accounts receivable.

The most we will pay for loss or damage under this Coverage Extension at each described premises, and for accounts receivable not at the described premises are the Limits of Insurance shown in the Schedule.

j. Increase In Rebuilding Expenses Following Disaster

When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form:

If this policy covers building, we will pay under this Coverage Extension for increased expenses actually incurred from a covered cause of loss to a covered building if all of the following conditions are met.

- (1) The event that caused the covered loss:
 - (a) Results in declaration of a state of disaster by federal or state authorities; or
 - (b) Occurs in close temporal proximity to the event that results in the declaration of disaster by federal or state authorities;
- (2) Expenses for labor and/or building materials for repair or replacement of the damaged property increase as a result of the disaster and the total cost of repair or replacement exceeds the applicable Limit of Insurance due to such increase in expenses.
- (3) You elect to repair or replace the damage building; and

- (4) You notified us, within 30 days of completion, of any improvements, alterations or additions to the building which increase the replacement cost of the building by 5% or more and allowed us to adjust the Limit of Insurance, if necessary, to maintain the required insurance-to-value.

The Additional Expense Coverage available for the extra expense of repair or replacement of a covered building is determined as follows:

Apply the percentage indicated in the Schedule to:

- (a) The Limit Of Insurance shown in the Declarations as applicable to the building when such limit covers only that building (exclusive of contents); or
- (b) The value of the building when insurance is written on a blanket basis.

However, if the building is subject to a lower Limit of Insurance (sub-limit) for the Covered Cause of Loss that caused the loss, then the applicable percentage indicated in the Schedule will be applied to that sub-limit.

- (5) If a Coinsurance penalty or similar penalty for inadequate insurance applies to the covered loss to the building in accordance with the terms of this policy, then the maximum amount of Additional Expense Coverage will be decreased in the same proportion. (In determining compliance with the policy's Coinsurance or similar requirement, the increase in expenses attributable to the disaster will be disregarded.)

When payments reach the maximum amount of Additional Expense Coverage, such coverage will not apply to a subsequent event which occurs in the same annual policy term.

In determining the expenses payable, we will deduct any expenses recovered under any Business Income and/or Extra Expense Coverage Forms or this endorsement.

k. Rewards

We will pay, up to the Limit of Insurance shown in the Schedule for information which leads to the arrest and conviction of the person(s) who caused the loss covered under this coverage part. Regardless of the number of persons involved in providing information our liability under this Coverage Extension will not be increased.

This Coverage Extension does not apply to:

- (1) you;
- (2) your family members; or
- (3) your employees, volunteers or independent contractors.

Section D. Deductible does not apply to this Coverage Extension.

l. Outdoor Signs**(1) Detached Outdoor Signs**

- (a) When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form detached signs are added as Covered Property – Building (**Section A.1.a.**) or Covered Property – Business Personal Property (**Section A.1.b.**).
- (b) When this endorsement is attached to Condominium Commercial Unit-Owners Coverage Form detached signs are added as Covered Property Business Personal Property (**Section A.1.a.**).

The provision in the Limits Of Insurance section which pertains to outdoor signs does not apply. The most we will pay for loss or damage under this Coverage Extension for Detached Outdoor Signs at each described premises is the Limit of Insurance shown in the Schedule.

(2) Attached Outdoor Signs

- (a) When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form attached signs are added as Covered Property – Buildings (**Section A.1.a.**) or Covered Property – Business Personal Property (**Section A.1.b.**).
- (b) When this endorsement is attached to Condominium Commercial Unit-Owners Coverage Form attached signs are added as Covered Property – Business Personal Property (**Section A.1.a.**).

The provision in the Limits Of Insurance section which pertains to outdoor signs does not apply.

m. Outdoor Fences

- (1) When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form outdoor fences are added as Covered Property – Building (**Section A.1.a.**) or Covered Property – Business Personal Property (**Section A.1.b.**).
- (2) When this endorsement is attached to Condominium Commercial Unit-Owners Coverage Form outdoor fences are added as Covered Property – Business Personal Property (**Section A.1.a.**).

n. Fine Arts

You may extend the insurance that applies to your Business Personal Property to apply to your "fine arts".

"Fine arts" means paintings; etchings; pictures; tapestries; rare or art glass; art glass windows; valuable rugs; statuary; sculptures; "antique" furniture; "antique" jewelry; bric-a-brac; porcelains; and similar property of rarity, historical value, or artistic merit.

"Antique" means an object having value because its:

- (1) Craftsmanship is in the style or fashion of former times; and
- (2) Age is 100 years old or older.

We will not pay for loss or damage caused by processing of or work upon the covered property including repairs or restoration.

In the event of a total loss to "fine arts", the value will be based on the lesser of:

- (1) The market value at the time of the covered loss or damage;
- (2) The cost to repair or restore the covered "fine arts" to the condition immediately before the loss or damage; or
- (3) The cost of a replacement with substantially identical property.

In the event of a partial loss or damage to "fine arts", the value will be based on:

- (1) The cost to repair or restore the covered "fine arts" to the condition immediately before the loss or damage; or
- (2) The difference between the value of the pair or set before and after the covered loss or damage.

The cost to repair or restore will not exceed the value the pair or set had prior to the loss.

If a covered loss to "fine arts" involves a pair or set and part of the pair or set is undamaged:

- (1) You may surrender the undamaged part of the pair or set to us, and the covered loss will be valued on the basis of a total loss to the entire pair or set; or
- (2) You may keep the undamaged part of the pair or set, and the covered loss will be valued on the basis of a partial loss to the entire pair or set.

You must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss.

The most we will pay for loss or damage under this Coverage Extension at each described premises is the Limit of Insurance shown in the Schedule.

o. Property At Fairs Or On Exhibition

You may extend the insurance provided by this policy to apply to your Covered Property and Personal Property of Others while at any fair or exhibition not located within 1,000 feet of the premises described in the Declarations. This Extension does not apply to fine arts or your salespersons samples.

The most we will pay for loss or damage under this Coverage Extension is the Limit of Insurance shown in the Schedule.

p. Property In The Custody Of Sales Representatives

You may extend the insurance provided by this policy to apply to your Covered Property in the care, custody or control of a sales representative and not located within 1,000 feet of the premises described in the Declarations.

The most we will pay for loss or damage under this Coverage Extension is the Limit of Insurance shown in the Schedule.

q. Property In Transit

If the Causes of Loss – Special Form is attached, the Additional Coverage Extension **F.1. Property in Transit** is deleted.

We will pay for loss of or damage to Covered Property while in transit.

Coverage is provided while the property is in or on a motor vehicle you own, lease or operate while between points in the coverage territory.

The most we will pay for loss or damage under this Coverage Extension is:

- (1) \$5,000 on Fine Arts;
- (2) \$5,000 on Personal Computers and EDP Equipment;
- (3) \$5,000 on Data and Media;
- (4) \$25,000 on All Other Property except as noted below.

This Coverage Extension does not apply to:

- (1) Money and Securities;
- (2) Covered Property owned by you, or for which you are legally liable, that is to be installed by you or at your direction, while the property is at a jobsite location;
- (3) Property in the care, custody or control of your salesperson;
- (4) Accounts Receivable;
- (5) Valuable Papers; or
- (6) Property of others for which you are responsible as a carrier for hire or car loader, consolidator, broker, freight forwarder, shipping association, or other arranger of transportation.

r. Ordinance Or Law Coverage – Building Or Tenants Improvements and Betterments

If the Replacement Cost option is indicated in the Declarations for a covered Building or covered Tenant's Improvements and Betterments damaged by a covered cause of loss, we will pay:

Coverage A – Coverage for Loss to the Undamaged Portion of the Building or Undamaged Tenant's Improvements And Betterments

With respect to the Building or covered Tenant's Improvements and Betterments that has sustained covered direct physical damage, we will pay under **Coverage A** for the loss in value of the undamaged portion of the building or improvements and betterments as a consequence of a requirement to comply with an ordinance or law that requires demolition of undamaged parts of the same building or improvements and betterments.

We will not pay under **Coverage A** for undamaged improvements and betterments that could be removed from the building, without incurring damage to such improvements and betterments, prior to demolition or repair of the building. Coinsurance Additional Condition applies to coverage for Loss to the Undamaged Portion of the Building.

Coverage B – Demolition Cost Coverage

With respect to the building that has sustained covered direct physical damage, we will pay the cost to demolish and clear the site of undamaged parts of the same building or improvements and betterments as a consequence of a requirement to comply with an ordinance or law that requires demolition of such undamaged property.

We will pay the cost to demolish and clear the undamaged parts of the improvements and betterments, provided that such cost is distinguishable from the cost of demolishing the building and you are responsible for the cost of demolition of the improvements and betterments.

We will not pay under **Coverage B** for demolition of undamaged improvements and betterments that could be removed from the building, without incurring damage to such improvements and betterments, prior to demolition or repair of the building.

The Coinsurance Additional Condition does not apply to Demolition Cost Coverage.

Coverage C – Increased Cost of Construction Coverage

(1) With respect to the building that has sustained covered direct physical damage, we will pay the increased cost to:

- (a) Repair or reconstruct damaged portions of that building or improvements and betterments; or
- (b) Reconstruct or remodel undamaged portions of that building or improvements and betterments, whether or not demolition is required;

when the increased cost is a consequence of a requirement to comply with the minimum standards of the ordinance or law.

However:

(a) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.

(b) We will not pay for the increased cost of construction if the building or improvements and betterments are not repaired, reconstructed or remodeled.

The Coinsurance Additional Condition does not apply to Increased Cost of Construction Coverage.

(2) When a building is damaged or destroyed and **Coverage C** applies to that building in accordance with (1) above, coverage for the increased cost of construction also applies to repair or reconstruction of the following, subject to the same conditions stated in (1):

- (a) The cost of excavations, grading, backfilling and filling;
- (b) Foundation of the building;
- (c) Pilings; and
- (d) Underground pipes, flues and drains.

The items listed in (2)(a) through (2)(d) above are deleted from Property Not Covered, but only with respect to the coverage described in this provision (2).

Loss Payment

All following loss payment provisions are subject to the apportionment procedures set forth in Paragraph (3) under **Application of Coverage(s)**.

Coverage A – Coverage for Loss to the Undamaged Portion of the Building or Undamaged Portion of the Tenants Improvements and Betterments

When there is a loss in value of an undamaged portion of a building or undamaged improvements and betterments, the loss payment for that building or improvements and betterments, including damaged and undamaged portions, will be determined as follows:

(1) If the property is being repaired or replaced on the same or another premises, we will not pay more than the lesser of:

- (a) The amount you would actually spend to repair, rebuild, or reconstruct the property, but not for more than the amount it would cost to restore the property on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or
 - (b) The Limit of Insurance shown in the Declarations as applicable to the covered building or improvements and betterments.
- (2) If the property is not repaired or replaced we will not pay more than the lesser of:
- (a) The actual cash value of the property at the time of loss; or
 - (b) The Limit Of Insurance shown in the Declarations as applicable to the covered building or improvements and betterments.

The insurance provided by **Coverage A** does not increase **Section C. Limits Of Insurance**.

Coverage B – Demolition Cost Coverage and Coverage C – Increased Cost of Construction Coverage Combined

The most we will pay for the total of all covered losses for Demolition Cost and Increased Cost of Construction, is the lesser of the Combined Limit of Insurance of:

- (1) The amount shown in the Schedule; or
- (2) The percentage indicated in the Schedule applied to the covered building(s) or improvements and betterments Limit of Insurance.

Loss payment under Combined Coverage **B – Demolition Cost Coverage** and **Coverage C – Increased Cost of Construction** will be determined as follows:

For Demolition Cost we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.

With respect to the **Increased Cost of Construction Coverage**:

- (1) We will not pay for the increased cost of construction:
 - (a) Until the property is actually repaired or replaced at the same or another premises; and

- (b) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
- (2) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the same premises.
 - (3) If the ordinance or law requires relocation to another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the new premises.

The insurance provided by Combined **Coverage B** and **Coverage C** does not increase **Section C. Limits of Insurance**.

The terms of this coverage apply separately to each building to which this coverage applies.

Under this coverage, we will not pay for loss due to any ordinance or law that:

- (1) You were required to comply with before the loss, even if the building was undamaged; and
- (2) You failed to comply with.
- (3) We will not pay under this Coverage Extension for enforcement of or compliance with any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus" wet or dry rot or bacteria; or

The costs associated with the enforcement of or compliance with any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

Application of Coverage(s)

Coverages A, B and/or C apply only if both (1) and (2) are satisfied and are then subject to the qualifications set forth in (3).

- (1) The ordinance or law:

- (a) Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
- (b) Is in force at the time of loss or the ordinance or law is promulgated or revised after the loss but prior to the commencement of reconstruction or repair and provided that such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.

But coverage under this Coverage Extension applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered under this Coverage Extension.

- (2) (a) The building or improvements or betterments sustains direct physical damage that is covered under this policy and as a result of such damage you are required to comply with the ordinance or law; or
- (b) The building sustains both direct physical damage that is covered under this policy and direct physical damage that is not covered under this policy, and as a result of the building or improvements and betterments damage in its entirety you are required to comply with the ordinance or law.
- (c) But if the building sustains direct physical damage that is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this Coverage Extension even if the building or improvements or betterments has also sustained covered direct physical damage.
- (3) In the situation described in (2)(b) above, we will not pay the full amount of loss otherwise payable under the terms of **Coverages A, B and/or C** of this Coverage Extension. Instead, we will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

However, if the covered direct physical damage, alone, would have resulted in a requirement to comply with the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of **Coverages A, B and/or C** of this Coverage Extension.

To the extent that the Ordinance Or Law Exclusion might conflict with the coverage provided under this endorsement, the Ordinance Or Law Exclusion does not apply to such coverage.

s. Portable Tools

We cover your portable tools and equipment and those of your employees. This includes their containers, spare parts and accessories. We also cover similar property that belongs to others and for which you are liable. Coverage is provided while tools are on or off premises.

We do not cover:

- (1) Property that is held for sale.
- (2) Property that you rent to others.
- (3) Building materials or other materials and supplies.
- (4) Plans, blueprints, designs or specifications.

We will pay in any one occurrence for loss or damage to portable tools, the Maximum Limit of Insurance shown in the Schedule, subject to the separate Maximum Limit of Insurance applicable to you or any employee. Coverage is provided on an Actual Cash Value basis.

If the Cause of Loss – Special Form applies, **Section C. Limitations** Paragraph **2.c.** is deleted and replaced by:

c. Builders' machinery provided such property is Covered Property. However, this limitation does not apply:

- (1) If the property is located on or within 1,000 feet of the described premises, unless the premises is insured under the Builders Risk Coverage Form; or
- (2) To Business Income Coverage or to Extra Expense Coverage.

The limit provided is the only limit available for the described coverage and cannot be combined or added to any other coverage extension under this endorsement.

t. Spoilage

We will pay for loss of or damage to "perishable stock" at the described premises. "Perishable stock" means personal property maintained under controlled conditions for its preservation and susceptible to loss or damage if the controlled conditions change. We will not cover property located on buildings, in the open, or in vehicles.

We will pay for loss or damage to "perishable stock" caused by breakdown or contamination or power outage. Breakdown or contamination means change in temperature or humidity resulting from mechanical breakdown or mechanical failure of refrigerating, cooling, or humidity control apparatus or equipment only while such equipment or apparatus is at the described premises. Breakdown or contamination includes contamination by the refrigerant. Power outage means change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the described premises, due to conditions beyond your control.

We will not pay for loss or damage caused by or resulting from:

- (1) The disconnection of any refrigerating, cooling, or humidity control system from the source of power.
- (2) The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current.
- (3) The inability of an Electrical Utility Company or other power source to provide sufficient power due to:
 - (a) Lack of fuel; or
 - (b) Governmental order.
- (4) The inability of a power source at the described premises to provide sufficient power due to lack of generating capacity to meet demand.
- (5) Breaking of any glass that is a permanent part of any refrigerating, cooling, or humidity control unit.

The most we will pay for loss or damage under this Coverage Extension at each described premises is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply to this Coverage Extension.

u. Lock And Key Replacement

We will pay to re-key, repair or replace locks when there has been direct physical loss or damage to the corresponding "keys" by a Covered Cause of Loss.

This coverage does not apply to:

- (1) Keys to motor vehicles, trailers or any motorized land conveyances whether or not subject to motor vehicle registration.
- (2) Direct physical loss or damage to keys entrusted to any person who is not an "insured".
- (3) Wear and tear.

"Keys" means master key, grand master key or key-card.

We will pay for direct physical loss or damage to alternative locking systems including card programmers, card readers, computers, related alarms, trans-receivers, power supplies, and electronic or mechanical apparatus required to make such locking systems operate. We will also pay for reprogramming such locking systems as a result of a Covered Cause of Loss.

The most we will pay under this Coverage Extension in any one occurrence is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply to this Coverage Extension.

v. Electronic Data Processing Equipment And Software

You may extend the insurance that applies to Your Business Personal Property to apply to your electronic data processing equipment and "software".

We cover direct physical loss or damage caused by a Covered Cause Of Loss to the following property:

- (1) "Hardware".
- (2) "Software".

We cover the cost of research or other expenses necessary to reproduce, replace, or restore lost files or codes on lost or damaged "data records" only if the cost of research or other expenses necessary to reproduce, replace or restore lost files or codes are incurred due to a direct physical loss caused by a Covered Cause Of Loss to "data records".

- (3) "Telecommunications equipment".
- (4) "Reproduction equipment".

Electrical and Power Supply Disturbance

We cover direct physical loss to covered property caused by "electrical disturbance", or "power supply disturbance".

Mechanical Breakdown Coverage

We pay for loss to covered property caused by "mechanical breakdown".

Foreign Transit And Location Coverage

We cover direct physical loss to your "portable computers" including preinstalled "programs and applications" while temporarily at a foreign location or in transit to or from a temporary foreign location outside the coverage territory.

We do not cover your "portable computers" or preinstalled "programs or applications" that are:

- (a) Shipped via mail;
- (b) You are required to provide a negotiable ocean cargo policy or certificate to any seller, buyer, or bank; or
- (c) The property is shipped to or is located in a country that is the subject of a trade embargo, economic sanctions, or other trade restrictions by the government of the United States of America.

The most we pay for loss to portable computers described above in any one occurrence while overseas is \$5,000. This limit is separate from, and not part of, the Electronic Data Processing Equipment And Software Coverage Extension Limit.

Valuation

- (1) The value of "hardware" that is replaced will be based on the cost of replacing the "hardware" with new equipment that is functionally comparable to the "hardware" that is being replaced. The value of "hardware" that is not repaired or replaced will be based on the actual cash value at the time of the loss (with a deduction for depreciation). In no event will we pay more than the reasonable cost of restoring partially damaged "hardware" to its condition directly prior to the damage.

- (2) The value of "programs and applications" will be based on the cost to reinstall the "programs or applications" from the licensed discs that were originally used to install the programs or applications. If the original licensed discs are lost, damaged, or can no longer be obtained, the value of "programs and applications" will be based on the cost of the most current version of the "programs or applications".
- (3) The value of "data records" will be based on the cost of reproduction from duplicate copies. The cost of reproduction includes, but is not limited to, the cost of labor to copy or transcribe from duplicate copies. If duplicate copies do not exist, the value of "data records" will be based on the cost of research or other expenses necessary to reproduce, replace, or restore lost files, documents, or records.
- (4) The value of "media" will be based on the cost to repair or replace the "media" with material of the same kind or quality.
- (5) The value of "telecommunications equipment" and "reproduction equipment" will be based on the replacement cost without any deduction for depreciation.

The following **Definitions** apply to Electronic Data Processing Equipment Coverage in addition to the Building and Personal Property Coverage Form, Condominium Association Coverage Form and Condominium Commercial Unit Owners Coverage Form definitions:

- (1) "Computer hacking" means an unauthorized intrusion:
 - (a) By an individual or group of individuals, whether employed by you or not, into "hardware", "software", or a computer network; and
 - (b) That results in but is not limited to:
 - (i) Deletion, destruction, generation, or modification of "software";
 - (ii) Alteration, contamination, corruption, degradation, or destruction of the integrity, quality, or performance of "software";
 - (iii) Observation, scanning, or copying of "data records", "programs and applications", and proprietary programs;

- (iv) Damage, destruction, inadequacy, malfunction, degradation, or corruption of any "hardware", Web site server, or "media" used with "hardware" or Web site server, or
 - (v) Denial of access to or denial of services from your "hardware", Web site server or your computer network.
- (2) "Computer virus" means the introduction of any malicious, self-replicating electronic data processing code or other code:
 - (a) Into "hardware", "software" or Web site server; and
 - (b) That is intended to result in, but is not limited to:
 - (i) Deletion, destruction, generation, or modification of "software";
 - (ii) Alteration, contamination, corruption, degradation or destruction of the integrity, quality or performance of "software";
 - (iii) Damage, destruction, inadequacy, malfunction, degradation or corruption of any "hardware", Web site server or "media" used with "hardware" or Web site server; or
 - (iv) Denial of access to or denial of services from your "hardware", Web site server or your computer network.
- (3) "Data records" means files, documents, and information in an electronic format and that are stored on "media".
- (4) "Electrical disturbance" means electrical or magnetic damage, disturbance of electronic recordings or erasure of electronic recordings.
- (5) "Hardware" means a network of electronic machine components (microprocessors) capable of accepting instructions and information, processing the information according to the instructions and producing desired results.
 - (a) "Hardware" includes but is not limited to:
 - (i) Personal computers and work stations;
 - (ii) Laptops, palmtops, notebook PCs, other portable computer devices and accessories including, but not limited to, multimedia projectors; and
 - (iii) Peripheral data processing equipment, including but not limited to, printers, keyboards, monitors and modems.
 - (b) "Hardware" does not include:
 - (i) "Software",
 - (ii) "Telecommunications equipment"; and
 - (iii) "Reproduction equipment".
- (6) "Mechanical breakdown" means the malfunction or failure of moving or electronic parts, component failure, faulty installation or blowout.
- (7) "Media" means processing, recording, or storage media used with "hardware". This includes but is not limited to films, tapes, cards, discs, drums, cartridges or cells.
- (8) "Portable computers" means laptops, palmtops, notebook PCs, other portable computer devices and accessories including but not limited to, multimedia projectors.
- (9) "Power supply disturbance" means interruption of power supply, power surge, blackout, or brownout.
- (10) "Programs and applications" means operating programs and applications that you purchase and that are:
 - (a) Stored on "media"; or
 - (b) Pre-installed and stored in "hardware".
- (11) "Reproduction equipment" means a network of equipment and software designed for the scanning, copying, storage, and retrieval of paper documents.
- (12) "Software" means "media", "data records", "programs and applications". "Software" does not mean Web site software.
- (13) "Telecommunications equipment" means telephone components and equipment used for the transmission of communications.
 - "Telecommunications equipment" includes but is not limited to:
 - (a) Telephone switchgear (including PBX systems);

- (b) Telephone operating programs, related software;
- (c) Facsimile transmission equipment;
- (d) Video conferencing equipment; and
- (e) Other related hardware (including computers dedicated to voice mail).

We do not pay for loss or damage that is caused by or results from any direct or indirect loss or damage; or loss of access, loss of use or loss of functionality caused by a "computer virus" or by "computer hacking".

The most we will pay for loss or damage under this Coverage Extension at each described premises is the Limit of Insurance shown in the Schedule.

w. Water Back Up, Sump Pump Overflow

- (1) We will pay for direct physical loss or damage, not caused by your negligence, to covered Building and Business Personal Property caused by or resulting from:
 - (a) water or waterborne material which backs up through or overflows from a sewer or drain; or
 - (b) water or waterborne material which overflows or is otherwise discharged from a sump, sump pump or related equipment even if the overflow or discharge results from mechanical breakdown of a sump pump, or its related equipment.

The term drain includes a roof drain and related fixtures.

- (2) We will not pay for direct loss or damage caused by:
 - (a) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of an body of water, or spray from any of these, all whether driven by wind (including storm surge);
 - (b) Mudslide or mudflow; or
 - (c) Water under the ground surface pressing on, or flowing or seeping through:
 - (i) Foundations, walls, floors or paved surfaces;
 - (ii) Basements, whether paved or not;
 - (iii) Doors, windows or other openings; or

- (d) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.** or **c.**, or material carried or otherwise moved by mudslide or mudflow.

But if any of the above, in Paragraphs **(a)** through **(d)**, results in fire, explosion or sprinkler leakage, we will pay for the loss or damaged caused by that fire, explosion or sprinkler leakage.

We will pay for business income loss and extra expense in accordance with the terms of the coverage applicable to such premises under your policy, when such loss or expense arises out of the direct physical loss or damage described in Paragraph **w.(1)**.

The most we will pay under this Coverage Extension for the total of all direct loss or damage and business income and/or extra expense occurring during the policy term is the Policy Limit of Insurance shown in the Schedule. This limit does not apply separately to each location.

The most we will pay under this Coverage Extension for the total of all direct physical loss or damage sustained and business income and/or extra expense caused by all occurrences in a 12-month period (starting with the beginning of the present annual policy period), regardless of the number of occurrences during that period of time, is the Policy Limit Of Insurance shown in the Schedule.

Section D. Deductible applies to this Coverage Extension.

F. Under Section B. Exclusions and Limitations the following changes apply to **Section B. Exclusions** of the applicable covered Causes of Loss Form:

- 1. Exclusion **1.e. Utility Services** is deleted and replaced by:

e. Utility Services

The failure of power, communication, water, or other utility service supplied to the described premises, however caused, if the failure:

- (1) Originates away from the described premises: or
- (2) Originates at the described premises, but only if such failure involves equipment used to supply the utility service to the described premises from a source away from the described premises.

Failure of any utility service includes lack of sufficient capacity and reduction in supply.

Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

But if the failure or surge of power, or the failure of communications, water or other utility service, results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss. We will also pay for loss or damage resulting from direct physical loss or damage by a covered cause of loss to water supply services, communication supply services, or power supply services, other than overhead transmission, subtransmission, distribution or communication lines not on the described premises.

Communication services include but are not limited to service relating to Internet access or access to any electronic, cellular or satellite network.

For purposes of this provision:

- (1) Water Supply Services, meaning the following types of property supplying water to the described premises:
 - (a) Pumping stations; and
 - (b) Water mains.
- (2) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services, to the described premises, such as:
 - (a) Communication transmission lines, including optic fiber transmission lines;
 - (b) Coaxial cables; and
 - (c) Microwave radio relays except satellites.
- (3) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described premises:
 - (a) Utility generating plants;
 - (b) Switching stations;

- (c) Substations;
- (d) Transformers; and
- (e) Transmission lines.

Transmission lines includes all lines which serve to transmit communication service or power, including lines which may be identified as distribution lines.

The insurance provided by this coverage does not increase **Section C. Limits of Insurance.**

Section D. Deductible applies to this coverage.

2. Exclusion **1.g.(3)** does not apply to loss of or damage to Accounts Receivable, Fine Arts and Valuable Papers.
3. Exclusion **1.g.(4)** does not apply to loss of or damage to Accounts Receivable, Fine Arts and Valuable Papers.
4. If The Causes of Loss – Basic Form is attached, exclusions **2.b.**, **2.c.** and **2.d.** do not apply to loss of or damage to Accounts Receivable, Fine Arts and Valuable Papers.
5. If the Causes of Loss – Broad Form is attached, exclusion **2.b.** does not apply to loss of or damage to Accounts Receivable, Fine Arts and Valuable Papers.
6. If the Causes of Loss – Special Form is attached, exclusions **2.e.**, **2.f.** and **2.g.** do not apply to loss of or damage to Accounts Receivable, Fine Arts and Valuable Papers.

G. Under Section C. LIMITS OF INSURANCE:

The following is added:

Peak Season

You may increase the insurance that applies to Your Business Personal Property or Stock by the percentage shown in the Schedule to provide for seasonal variations if the Limit Of Insurance shown in the Declarations is 80% or more of the insured's average monthly values for the 12 months immediately preceding the date of loss or damage occurs, or the period of time you have been in business as of the date of the loss or damage occurs.

This section does not apply to property covered under a value reporting form or on a blanket basis.

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
WB 34 01 18**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EQUIPMENT BREAKDOWN COVERAGE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
 CONDOMINIUM ASSOCIATION COVERAGE FORM
 CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
 BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
 BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
 EXTRA EXPENSE COVERAGE FORM
 CAUSES OF LOSS – BASIC FORM
 CAUSES OF LOSS – BROAD FORM
 CAUSES OF LOSS – SPECIAL FORM

SCHEDULE

Coverage	Limit
Spoilage	\$50,000
Deductibles	
Combined, All Coverages	\$
Direct Coverages	\$ (*other conditions, if required, will be shown below)
Indirect Coverages	\$
	or hours (*other conditions, if required, will be shown below)
	or Times Average Daily Value
Other Conditions	

A. The following is added to **A.4. Additional Coverages** of the **Building And Personal Property Coverage Form, Condominium Association Coverage Form** and **Condominium Commercial Unit-Owners Coverage Form**:

Additional Coverage – Equipment Breakdown

Additional Coverage Equipment Breakdown is described and limited below. Without an "accident" or "electronic circuitry impairment", there is no Equipment Breakdown Coverage.

1. We will pay for direct physical damage to Covered Property that is the direct result of an "accident" or "electronic circuitry impairment". We will consider "electronic circuitry impairment" to be physical damage to "covered equipment".

West Bend Mutual Insurance Company
 West Bend, Wisconsin 53095

2. The following coverages also apply to the direct result of an "accident" or "electronic circuitry impairment". However, with respect to coverage **2.h. Service Interruption** below and any Dependent Properties coverage provided by this coverage part, coverage will apply only to the direct result of an "accident" and will not apply to the direct result of an "electronic circuitry impairment". These coverages do not provide additional amounts of insurance.

a. Business Income and Extra Expense

- (1) Any insurance provided under the coverage part for Business Income or Extra Expense is extended to the coverage provided by this endorsement.
- (2) The most we will pay for loss or expense under this coverage is the applicable limit for Business Income and Extra Expense.

b. Data Restoration

- (1) We will pay for your reasonable and necessary cost to research, replace and restore lost "data."
- (2) The most we will pay for loss or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is \$25,000.

c. Expediting Expenses

- (1) With respect to your damaged Covered Property, we will pay the reasonable extra cost to:
 - (a) Make temporary repairs; and
 - (b) Expedite permanent repairs or permanent replacement.
- (2) The most we will pay for loss or expense under this coverage is \$25,000.

d. Hazardous Substances

- (1) We will pay your additional cost to repair or replace Covered Property because of contamination by a "hazardous substance". This includes the additional expenses to clean up or dispose of such property.
- (2) This does not include contamination of "perishable goods" by refrigerant, including but not limited to ammonia, which is addressed in **2.i.(1)(b)** below. As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown Coverage had no "hazardous substance" been involved.

- (3) The most we will pay for loss, damage or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is \$25,000.

e. Off Premises Equipment Breakdown

- (1) We will pay for physical damage to transportable "covered equipment" that, at the time of the "accident" or "electronic circuitry impairment", is not at a covered location. As respects this Off Premises Equipment Breakdown coverage only, the "accident" or "electronic circuitry impairment" may occur in any country except one in which the United States has imposed sanctions, embargoes or similar restrictions on the provision of insurance.
- (2) We will also pay for your reasonable and necessary cost to research, replace and restore lost "data" contained within "covered equipment" as described under (1) above. This amount may not exceed the limit applicable to Data Restoration coverage.
- (3) The most we will pay for loss, damage or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, and Data Restoration as described in (2) above is the limit for Property Off-Premises coverage, shown in your policy.

f. Public Relations

- (1) This coverage only applies if you have sustained an actual loss of Business Income covered under this endorsement.
- (2) We will pay for your reasonable costs for professional services to create and disseminate communications, when the need for such communications arises directly from the interruption of your business. This communication must be directed to one or more of the following:
 - (a) The media;
 - (b) The public; or
 - (c) Your customers, clients or members.
- (3) Such costs must be incurred during the "period of restoration" or up to 30 days after the "period of restoration" has ended.
- (4) The most we will pay for loss or expense under this coverage is \$5,000.

g. Resultant Damage to Animals

- (1) Any insurance provided under the coverage part for "animals" is extended to the coverage provided by this endorsement.
- (2) The most we will pay for loss, damage or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is \$25,000.

e. Service Interruption

- (1) Any insurance provided for Business Income, Extra Expense, Data Restoration or Spoilage is extended to apply to your loss, damage or expense caused by a failure or disruption of service. The failure or disruption of service must be caused by an "accident" to equipment, including overhead transmission lines, that is owned by a utility, landlord, a landlord's utility or other supplier who provides you with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, Internet access, telecommunications service, "cloud computing services", wide area networks or data transmission. The equipment must meet the definition of "covered equipment" except that it is not Covered Property.
- (2) "Cloud computing services" must be provided by a professional provider with whom you have a contract.
- (3) With respect to the Data Restoration portion of this Service Interruption coverage, coverage will also apply to "data" stored in the equipment of a provider of "cloud computing services".
- (4) Service Interruption coverage will not apply unless the failure or disruption of service exceeds 24 hours immediately following the "accident". If the interruption exceeds 24 hours, coverage will begin at the time of the disruption, and the applicable deductible will apply.
- (5) The most we will pay in any "one equipment breakdown" for loss, damage or expense under this coverage is the applicable limit for Business Income, Extra Expense, Data Restoration or Spoilage.

i. Spoilage

- (1) We will pay for:

- (a) Physical damage to "perishable goods" due to spoilage;
 - (b) Physical damage to "perishable goods" due to contamination from the release of refrigerant, including but not limited to ammonia;
 - (c) Any necessary expenses you incur to reduce the amount of loss under this coverage to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.
- (2) If you are unable to replace the "perishable goods" before its anticipated sale, the amount of our payment will be determined on the basis of the sales price of the "perishable goods" at the time of the "accident" or "electronic circuitry impairment", less discounts and expenses you otherwise would have had. Otherwise our payment will be determined in accordance with the Valuation condition.
 - (3) The most we will pay for loss, damage or expense under this coverage is \$50,000 unless otherwise shown in the above Schedule.

3. Exclusions

All exclusions in the applicable Causes of Loss form apply except as modified below and to the extent that coverage is specifically provided by this endorsement.

a. The following exclusions are modified:

- (1) If the Causes of Loss – Basic Form or Causes of Loss – Broad Form applies, the following is added to Exclusion **B.2.**:
Depletion, deterioration, corrosion, erosion, wear and tear, or other gradually developing conditions. However if an "accident" or "electronic circuitry impairment" results, we will pay for the resulting loss, damage or expense caused by that "accident" or "electronic circuitry impairment".
- (2) If the Causes of Loss – Special Form applies as respects this endorsement only, the last paragraph of Exclusion **B.2.d.** is deleted and replaced with the following:
But if an excluded cause of loss that is listed in **2.d.(1)** through **(7)** results in an "accident" or "electronic circuitry impairment", we will pay for the loss, damage or expense caused by that "accident" or "electronic circuitry impairment".

b. The following exclusions are added:

(1) We will not pay for loss, damage or expense caused directly or indirectly by any of the following, whether or not caused by or resulting from an "accident" or "electronic circuitry impairment":

- (a) Fire, including smoke from a fire;
- (b) Explosion of gas or unconsumed fuel within the furnace of any boiler or fired vessel or within the passages from that furnace to the atmosphere;
- (c) Any other explosion, except as specifically covered under this endorsement;
- (d) Any earth movement, including but not limited to earthquake, subsidence, sinkhole collapse, landslide, earth sinking, tsunami or volcanic action;
- (e) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spay, all whether driven by wind or not; mudslide or mudflow; or water that back up or overflows from a sewer, drain or sump. However, if electrical "covered equipment" requires drying out because of the above, we will pay for the direct expenses of such drying out subject to the applicable Limit of Insurance and deductible for Building or Business Personal Property, whichever applies; or
- (f) Vandalism.

(2) Coverage under this endorsement does not apply to an "accident" or "electronic circuitry impairment" caused by or resulting from:

- (a) Lightning;
- (b) Windstorm or hail. However this exclusion does not apply when:
 - (i) "Covered equipment" located within a building or structure suffers an "accident" or "electronic circuitry impairment" that results from wind-blown rain, snow, sand or dust; and
 - (ii) The building or structure did not first sustain wind or hail damage to its roof or walls through which the rain, snow, sand or dust entered.
- (c) Smoke; aircraft or vehicles; riot or civil commotion; sprinkler leakage; elevator collision;

(d) Breakage of glass; falling objects; weight of snow, ice or sleet; freezing (caused by cold weather); collapse or molten material;

(e) A hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel, or an electrical insulation breakdown test of any type of electrical equipment; or

(f) Water or other means used to extinguish a fire.

(3) With respect to Business Income, Extra Expense and Service Interruption coverages, we will also not pay for:

(a) Loss caused by your failure to use due diligence and dispatch and all reasonable means to resume business; or

(b) Any increase in loss resulting from an agreement between you and your customer or supplier.

(4) We will not pay for loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an "accident" or "electronic circuitry impairment": Any "fungus", wet rot, dry rot or bacteria, including any presence, growth, proliferation, spread or any activity of "fungus", wet rot, dry rot or bacteria. This includes, but is not limited to, costs arising from clean up, removal, or abatement of such "fungus", wet rot, dry rot or bacteria. However, this exclusion does not apply to spoilage of personal property that is "perishable goods", to the extent that spoilage is covered under Spoilage coverage.

(5) Except as specifically provided under **A.2.b. Data Restoration** or **A.2.g. Resultant Damage to Animals**, we will not pay for loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an "accident" or "electronic circuitry impairment":

(a) Physical loss or damage to "animals";

(b) Loss, interruption or compromise of any research, test or study involving "animals"; or

(c) Loss of income or extra expense resulting from (a) or (b) above.

c. Exclusions **b.(2)(a)**, **b.(2)(b)**, **b.(2)(c)** and **b.(2)(d)** above shall not apply if:

- (1) The excluded cause of loss occurs away from any covered location and causes an electrical surge or other electrical disturbance.
- (2) Such a surge or disturbance is transmitted through utility service transmission lines to the covered location and results in an "accident" or "electronic circuitry impairment"; and
- (3) The loss, damage or expense caused by such surge or disturbance is not covered elsewhere under the policy.

d. Any cause of loss set forth in exclusion **b.(2)(d)** above that is not a Covered Cause of Loss in this coverage part shall be excluded only as respects Service Interruption coverage.

4. Definitions

The following definitions are added with respect to this endorsement only:

a. "Accident"

- (1) "Accident" means a fortuitous event that causes direct physical damage to "covered equipment". The event must be one of the following:
 - (a) Mechanical breakdown, including rupture or bursting caused by centrifugal force;
 - (b) Artificially generated electrical current, including electric arcing that disturbs electrical devices, appliances or wires;
 - (c) Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;
 - (d) Loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or
 - (e) Loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment.

(2) None of the following is an "accident":

- (a) Defect, programming error, programming limitation, computer virus, malicious code, loss of "data", loss of access, loss of use, loss of functionality or other condition within or involving "data" or "media" of any kind; or
- (b) Misalignment, miscalibration, tripping off-line, or any condition which can be corrected by resetting, tightening, adjusting or cleaning, or by the performance of maintenance.

However, if an "accident" results, we will pay for the resulting loss, damage or expense caused by that "accident".

b. "Animal" means any creature of the kingdom Animalia. This includes, but is not limited to amphibians, birds, fish, insects, mammals, reptiles, and worms.

c. "Boilers and vessels" means:

- (1) Any boiler, including attached steam, condensate and feedwater piping; and
- (2) Any fired or unfired pressure vessel subject to vacuum or internal pressure other than the static pressure of its contents.

This term does not appear elsewhere in this endorsement, but may appear in the Schedule.

d. "Cloud computing services" means professional, on-demand, self-service data storage or data processing services provided through the Internet or over telecommunications lines. This includes services known as IaaS (infrastructure as a service), PaaS (platform as a service), SaaS (software as a service) and NaaS (network as a service). This includes business models known as public clouds, community clouds and hybrid clouds. "Cloud computing services" include private clouds if such services are owned and operated by a third party.

e. "Covered equipment"

- (1) "Covered equipment means, Covered Property:
 - (a) That generates, transmits or utilizes energy;
 - (b) Which, during normal usage, operates under vacuum or pressure, other than the weight of its contents; or

- (c) If your lease requires you to maintain it, air conditioning and heating equipment that is part of the building or structure you occupy but do not own.

"Covered equipment" may utilize conventional design and technology or new or newly commercialized design and technology.

- (2) None of the following is "covered equipment":
- (a) Structure, foundation, cabinet or compartment;
 - (b) Insulating or refractory material;
 - (c) Sewer piping, buried vessels or piping, or piping forming a part of a sprinkler or fire suppression system;
 - (d) Water piping other than:
 - (i) Boiler feedwater piping;
 - (ii) Boiler condensate return piping; or
 - (iii) Water piping forming a part of a refrigerating or air conditioning system;
 - (e) "Vehicle" or any equipment mounted on a "vehicle";
 - (f) Satellite, spacecraft or any equipment mounted on a satellite or spacecraft;
 - (g) Dragline, excavation or construction equipment; or
 - (h) Equipment manufactured by you for sale.
- f. "Data" means information or instructions stored in digital code capable of being processed by machinery.
- g. "Electronic circuitry" means microelectronic components, including but not limited to circuit boards, integrated circuits, computer chips and disk drives.
- h. "Electronic circuitry impairment"
- (1) "Electronic circuitry impairment" means a fortuitous event involving "electronic circuitry" within "covered equipment" that causes the "covered equipment" to suddenly lose its ability to function as it had been functioning immediately before such event. This definition is subject to the conditions specified in (2), (3) and (4) below.

- (2) We shall determine that the reasonable and appropriate remedy to restore such "covered equipment's" ability to function is the replacement of one or more "electronic circuitry" components of the "covered equipment".

- (3) The "covered equipment" must be owned or leased by you, or operated under your control.

- (4) None of the following is an "electronic circuitry impairment":

- (a) Any condition that can be reasonably remedied by:

- (i) Normal maintenance, including but not limited to replacing expendable parts, recharging batteries or cleaning;

- (ii) Rebooting, reloading or updating software or firmware; or

- (iii) Providing necessary power or supply.

- (b) Any condition caused by or related to:

- (i) Incompatibility of the "covered equipment" with any software or equipment installed, introduced or networked within the prior 30 days; or

- (ii) Insufficient size, capability or capacity of the "covered equipment".

- (c) Exposure to adverse environmental conditions, including but not limited to change in temperature or humidity, unless such conditions result in an observable loss of functionality. Loss of warranty shall not be considered an observable loss of functionality.

- i. "Hazardous substance" means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.

- j. "Media" means material on which "data" is recorded such as solid state drives, hard disks, optical disks, flash drives, magnetic tapes or floppy disks.

k. "One equipment breakdown" means: If an initial "accident" or "electronic circuitry impairment" causes other "accidents" or "electronic circuitry impairments", all will be considered "one equipment breakdown". All "accidents" or "electronic circuitry impairments" that are the result of the same "accident" or "electronic circuitry impairment" will be considered "one equipment breakdown".

l. "Perishable goods" means personal property maintained under controlled conditions for its preservation, and susceptible to loss or damage if the controlled conditions change.

m. "Production machinery" means any machine or apparatus that processes or produces a product intended for eventual sale. This includes all component parts of such machine or apparatus and any other equipment used exclusively with such machine or apparatus. However, "production machinery" does not mean any boiler, or fired or unfired pressure vessel.

This term does not appear elsewhere in this endorsement, but may appear in the Schedule.

n. "Vehicle" means, as respects this endorsement only, any machine or apparatus that is used for transportation or moves under its own power. "Vehicle" includes, but is not limited to: car, truck, bus, trailer, train, aircraft, watercraft, forklift, bulldozer, tractor or harvester.

However, any property that is stationary, permanently installed at a covered location and that receives electrical power from an external power source will not be considered a "vehicle".

B. The Building and Personal Property Coverage Form, the Condominium Association Coverage Form and the Condominium Unit-Owners Coverage Form are modified as follows.

1. Deductible

The deductible in the Declarations applies unless a separate Equipment Breakdown deductible is shown in the Schedule. If a separate Equipment Breakdown deductible is shown, the following applies.

Only as regards Equipment Breakdown Coverage, provision **D. Deductible** is deleted and replaced with the following:

a. Deductibles for Each Coverage

- (1) Unless the Schedule indicates that your deductible is combined for all coverages, multiple deductibles may apply to any "one equipment breakdown".
- (2) We will not pay for loss, damage or expense under any coverage until the amount of the covered loss, damage or expense exceeds the deductible amount indicated for that coverage in the Schedule. We will then pay the amount of loss, damage or expense in excess of the applicable deductible amount, subject to the applicable limit.
- (3) If deductibles vary by type of "covered equipment" and more than one type of "covered equipment" is involved in any "one equipment breakdown", only the highest deductible for each coverage will apply.

b. Direct and Indirect Coverages

- (1) Direct Coverages Deductibles and Indirect Coverages Deductibles may be indicated in the Schedule.
- (2) Unless more specifically indicated in the Schedule:
 - (a) Indirect Coverages Deductibles apply to Business Income and Extra Expense loss; and
 - (b) Direct Coverages Deductibles apply to all remaining loss, damage or expense covered by this endorsement.

c. Application of Deductibles

(1) Dollar Deductibles

We will not pay for loss, damage or expense resulting from any "one equipment breakdown" until the amount of loss, damage or expense exceeds the applicable Deductible shown in the Schedule. We will then pay the amount of loss, damage or expense in excess of the applicable Deductible or Deductibles, up to the applicable Limit of Insurance.

(2) Time Deductible

If a time deductible is shown in the Schedule, we will not be liable for any loss occurring during the specified number of hours or days immediately following the "accident" or "electronic circuitry impairment". If a time deductible is expressed in days, each day shall mean twenty-four consecutive hours.

(3) Multiple of Average Daily Value (ADV)

If a deductible is expressed as a number times ADV, that amount will be calculated as follows:

The ADV (Average Daily Value) will be the Business Income (as defined in any Business Income coverage that is part of this policy) that would have been earned during the period of interruption of business had no "accident" or "electronic circuitry impairment" occurred, divided by the number of working days in that period. No reduction shall be made for the Business Income not being earned, or in the number of working days, because of the "accident" or "electronic circuitry impairment" or any other scheduled or unscheduled shutdowns during the period of interruption. The ADV applies to the Business Income value of the entire location, whether or not the loss affects the entire location. If more than one location is included in the valuation of the loss, the ADV will be the combined value of all affected locations. For purposes of this calculation, the period of interruption may not extend beyond the "period of restoration". The number indicated in the above Schedule will be multiplied by the ADV as determined above. The result shall be used as the applicable deductible.

2. Conditions

- a. The following conditions are in addition to the Conditions in the Building and Personal Property Coverage Form, the Condominium Association Coverage Form, the Condominium Unit-Owners Coverage Form, the Commercial Property Conditions and the Common Policy Conditions.

(1) Suspension

Whenever "covered equipment" is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss from an "accident" or "electronic circuitry impairment" to that "covered equipment." This can be done by mailing or delivering a written notice of suspension to:

- (a) Your last known address; or
- (b) The address where the "covered equipment" is located.

Once suspended in this way, your insurance can be reinstated only by an endorsement for that "covered equipment". If we suspend your insurance, you will get a pro rata refund of premium for that "covered equipment" for the period of suspension. But the suspension will be effective even if we have not yet made or offered a refund.

(2) Jurisdictional Inspections

If any property that is "covered equipment" under this endorsement requires inspection to comply with state or municipal boiler and pressure vessel regulations, we agree to perform such inspection on your behalf. We do not warrant that conditions are safe or healthful.

- b. As respects this endorsement only, the Valuation Condition in the Building and Personal Property Coverage Form, the Condominium Association Coverage Form and the Condominium Unit-Owners Coverage Form is deleted and replaced with the following:

Valuation

We will determine the value of Covered Property as follows:

- (1) Except as specified otherwise, our payment for damaged Covered Property will be the smallest of:
 - (a) The cost to repair the damaged property;
 - (b) The cost to replace the damaged property on the same site; or
 - (c) The amount you actually spend that is necessary to repair or replace the damaged property.
- (2) The amount of our payment will be based on the most cost-effective means to replace the function, capacity and remaining useful life of the damaged property. This may include the use of generic, used or reconditioned parts, equipment or property.
- (3) Except as described in (4) below, you must pay the extra cost of replacing damage property with property of a better kind or quality or of a different size or capacity.

(4) Environmental, Safety and Efficiency Improvements

If "covered equipment" requires replacement due to an "accident" or "electronic circuitry impairment", we will pay your additional cost to replace with equipment that is better for the environment, safer for people or more energy or water efficient than the equipment being replaced. However, we will not pay to increase the size or capacity of the equipment and we will not pay more than 150% of what the cost would have been to replace with like kind and quality. This provision does not apply to the replacement of component parts or to any property to which Actual Cash Value applies and does not increase any of the applicable limits.

(5) The following property will be valued on an Actual Cash Value basis:

- (a)** Any property that does not currently serve as useful or necessary function for you;
- (b)** Any covered Property that you do not repair or replace within 24 months after the date of the "accident" or "electronic circuitry impairment"; and

Actual Cash Value includes deductions for depreciation.

(6) If any one of the following conditions is met, property held for sale by you will be valued at the sales price as if no loss or damage had occurred, less any discounts and expenses that otherwise would have applied:

- (a)** The property was manufactured by you;
- (b)** The sales price of property is less than the replacement cost of the property; or
- (c)** You are unable to replace the property before its anticipated sale.

(7) Except as specifically provided for under Data Restoration coverage, "data" and "media" will be valued on the following basis:

- (a)** For mass-produced and commercially available software, at the replacement cost.
- (b)** For all other "data" and "media", at the cost of blank "media" for reproducing the records. We will not pay for "data" representing financial records based on the face value of such records.

The most we will pay for loss, damage or expense under this endorsement arising from any "one equipment breakdown" is the applicable Limit of Insurance in the Declarations unless otherwise shown in the Schedule. Coverage provided under this endorsement does not provide an additional amount of insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTOMATIC BUILDING VALUE INCREASE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

The Limit of Insurance for all buildings to which this coverage applies will be automatically increased by an annual percentage on the next renewal.

The amount of increase will be the Limit of Insurance that applies at expiration of the policy multiplied by an annual Building Value Increase Factor. This factor will be based on a construction cost index supplied by a nationally known firm.

This provision does not apply to any building being afforded agreed valuation, blanket coverage, functional building valuation, inflation guard coverage or a coverage without a coinsurance provision.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

YOUR BUSINESS PERSONAL PROPERTY AMENDMENT TENANT GLASS

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

Coverage provided by this endorsement is subject to the Cause of Loss Form attached to this policy and policy's Deductible.

Coverages provided by this endorsement are in excess of any other specific coverages that are provided in other coverage Parts or other Policies.

A. The following is added to paragraph A.1.b. Your Business Personal Property:

(8) Exterior and/or interior Glass will be considered part of your Business Personal Property if:

- (a)** You are a tenant;
- (b)** You have a contractual responsibility to insure such property or to pay for damage to it and
- (c)** This policy does not insure the building or structure.

B. Paragraph A.1.c. Personal Property of Others is replaced by the following:

1. Covered Property

c. Personal Property of Others

(1) Personal property of others that is:

- (a)** In your care, custody or control; and
- (b)** Located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or structure or within 100 feet of the premises described in the Declarations, whichever distance is greater.

(2) Personal Property of Others includes exterior and/or interior glass that is part of the building or structure described in the Declaration only if:

- (a)** You are a tenant;
 - (b)** You have a contractual responsibility to insure such property or to pay for damage to it; and
 - (c)** This policy does not insure the building or structure.
- (3)** Our payment for loss of or damage to property covered under Personal Property of Others will only be for the account of the owner of the property.
- (4)** If you are contractually liable for a specific amount, we will pay the least of the following:
- (a)** The amount for which you are contractually liable;
 - (b)** The amount determined in accordance with the applicable Valuation Condition or any provision which replaces it; or
 - (c)** The Limit of Insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER SUITE COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM
 BUSINESSOWNERS SPECIAL PROPERTY COVERAGE FORM
 COMMERCIAL PROPERTY COVERAGE PART

SCHEDULE

Cyber Suite Annual Aggregate Limit:	<u>\$ Not Applicable</u>
First Party Annual Aggregate Limit:	<u>\$ 100,000</u>
Third Party Annual Aggregate Limit:	<u>\$ 100,000</u>
Cyber Suite Deductible Per Occurrence:	<u>\$ 1,000</u>
FIRST PARTY COVERAGES	
DATA COMPROMISE RESPONSE EXPENSES	<u>Included</u>
Sublimits Per Occurrence	
Forensic IT Review:	<u>\$ 50,000</u>
Legal Review:	<u>\$ 50,000</u>
Public Relations:	<u>\$ 5,000</u>
Regulatory Fines and Penalties (Not applicable in KS):	<u>\$ 50,000</u>
PCI Fines and Penalties:	<u>\$ 50,000</u>
COMPUTER ATTACK	<u>Included</u>
Sublimits Per Occurrence	
Loss of Business:	<u>\$ 50,000</u>
Public Relations:	<u>\$ 5,000</u>
CYBER EXTORTION	<u>Included</u>
Sublimit Per Occurrence:	<u>\$ 10,000</u>
MISDIRECTED PAYMENT FRAUD:	<u>Included</u>
Sublimit Per Occurrence:	<u>\$ 10,000</u>
COMPUTER FRAUD:	<u>Included</u>
Sublimit Per Occurrence:	<u>\$ 10,000</u>
THIRD PARTY COVERAGES	
DATA COMPROMISE LIABILITY	<u>Included</u>
NETWORK SECURITY LIABILITY	<u>Included</u>
ELECTRONIC MEDIA LIABILITY	<u>Included</u>
IDENTITY RECOVERY COVERAGE	
Annual Aggregate Limit Per "Identity Recovery Insured":	<u>\$ 25,000</u>
Deductible Per Occurrence:	<u>None</u>
Sublimits Per Occurrence	
Lost Wages and Child and Elder Care Expenses:	<u>\$ 5,000</u>
Mental Health Counseling:	<u>\$ 1,000</u>
Miscellaneous Unnamed Costs:	<u>\$ 1,000</u>

West Bend Mutual Insurance Company
 West Bend, Wisconsin 53095

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Throughout this Coverage Endorsement (hereinafter referred to as "Cyber Coverage"), the words "you" and "your" refer to the Named Insured(s) shown in the Declarations, and any other person(s) or organization(s) qualifying as a Named Insured under this Cyber Coverage. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in "quotations" have special meaning. Refer to **DEFINITIONS**.

Coverage under this endorsement is subject to the following: The terms and conditions of the Cancellation Clause of the Common Policy Conditions and any amendment to such terms incorporated by endorsement are hereby incorporated herein and shall apply to coverage as is afforded by this Cyber Coverage, unless specifically stated otherwise in an endorsement(s) attached hereto.

A. COVERAGE

This section lists the coverages that apply if indicated in the Schedule.

1. Data Compromise Response Expenses

a. Data Compromise Response Expenses applies only if all of the following conditions are met:

- (1) There has been a "personal data compromise"; and
- (2) Such "personal data compromise" took place in the "coverage territory"; and
- (3) Such "personal data compromise" is first discovered by you during the "policy period"; and
- (4) Such "personal data compromise" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you.

b. If the conditions listed in a. above have been met, then we will provide coverage for the following expenses when they arise directly from such "personal data compromise" and are necessary and reasonable. Items (4) and (5) below apply only if there has been a notification of the "personal data compromise" to "affected individuals" as covered under item (3) below.

(1) Forensic IT Review

We will pay for a professional information technologies review if needed to determine, within the constraints of what is possible and reasonable, the nature and extent of the "personal data compromise" and the number and identities of the "affected individuals".

This does not include costs to analyze, research or determine any of the following:

- (a) Vulnerabilities in systems, procedures or physical security;
- (b) Compliance with Payment Card Industry or other industry security standards; or
- (c) The nature or extent of "loss" or damage to data that is not "personally identifying information" or "personally sensitive information".

If there is reasonable cause to suspect that a covered "personal data compromise" may have occurred, we will pay for costs covered under Forensic IT Review, even if it is eventually determined that there was no covered "personal data compromise". However, once it is determined that there was no covered "personal data compromise", we will not pay for any further costs.

(2) Legal Review

We will pay for a professional legal counsel review of the "personal data compromise" and how you should best respond to it.

If there is reasonable cause to suspect that a covered "personal data compromise" may have occurred, we will pay for costs covered under Legal Review, even if it is eventually determined that there was no covered "personal data compromise". However, once it is determined that there was no covered "personal data compromise", we will not pay for any further costs.

(3) Notification to Affected Individuals

We will pay your necessary and reasonable costs to provide notification of the "personal data compromise" to "affected individuals".

(4) Services to Affected Individuals

We will pay your necessary and reasonable costs to provide the following services to "affected individuals". Services (c) and (d) below apply only to "affected individuals" from "personal data compromise" events involving "personally identifying information".

(a) Informational Materials

A packet of loss prevention and customer support information.

(b) Help Line

A toll-free telephone line for “affected individuals” with questions about the “personal data compromise”. Where applicable, the line can also be used to request additional services as listed in **(c)** and **(d)** below.

(c) Credit Report and Monitoring

A credit report and an electronic service automatically monitoring for activities affecting an individual's credit records. This service is subject to the “affected individual” enrolling for this service with the designated service provider.

(d) Identity Restoration Case Management

As respects any “affected individual” who is or appears to be a victim of “identity theft” that may reasonably have arisen from the “personal data compromise”, the services of an identity restoration professional who will assist that “affected individual” through the process of correcting credit and other records and, within the constraints of what is possible and reasonable, restoring control over his or her personal identity.

(5) Public Relations

We will pay for a professional public relations firm review of, and response to, the potential impact of the “personal data compromise” on your business relationships.

This includes necessary and reasonable costs to implement public relations recommendations of such firm. This may include advertising and special promotions designed to retain your relationship with “affected individuals”. However, we will not pay for:

- (a)** Promotions provided to any of your directors or employees; or
- (b)** Promotion costs exceeding \$25 per “affected individual”.

(6) Regulatory Fines and Penalties

We will pay for any fine or penalty imposed by law, to the extent such fine or penalty is legally insurable under the law of the applicable jurisdiction.

(7) PCI Fines and Penalties

We will pay for any Payment Card Industry fine or penalty imposed under a contract to which you are a party. PCI (Payment Card Industry) Fines and Penalties do not include any increased transaction costs.

2. Computer Attack

- a.** Computer Attack applies only if all of the following conditions are met:

- (1)** There has been a “computer attack”; and
- (2)** Such “computer attack” occurred in the “coverage territory”; and
- (3)** Such “computer attack” is first discovered by you during the “policy period”; and
- (4)** Such “computer attack” is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you.

- b.** If all the conditions listed in **2.a.** above have been met, then we will provide you the following coverages for “loss” directly arising from such “computer attack”

(1) Data Restoration

We will pay your necessary and reasonable “data restoration costs”.

(2) Data Re-creation

We will pay your necessary and reasonable “data re-creation costs”.

(3) System Restoration

We will pay your necessary and reasonable “system restoration costs”.

(4) Loss of Business

We will pay your actual “business income and extra expense loss” incurred during the “period of restoration”.

(5) Extended Income Recovery

If you suffer a covered “business income and extra expense loss” resulting from a “computer attack” on a “computer system” owned or leased by you and operated under your control, we will pay your actual “extended income loss”.

(6) Public Relations

If you suffer a covered "business income and extra expense loss", we will pay for the services of a professional public relations firm to assist you in communicating your response to the "computer attack" to the media, the public and your customers, clients or members.

3. Cyber Extortion

a. Cyber Extortion applies only if all of the following conditions are met:

- (1) There has been a "cyber extortion threat"; and
- (2) Such "cyber extortion threat" is first made against you during the "policy period"; and
- (3) Such "cyber extortion threat" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first made against you.

b. If all the conditions listed in 3.a. above have been met, then we will pay for your necessary and reasonable "cyber extortion expenses" arising directly from such "cyber extortion threat". The payment of "cyber extortion expenses" must be approved in advance by us. We will not pay for "cyber extortion expenses" that have not been approved in advance by us. We will not unreasonably withhold our approval

c. You must make every reasonable effort not to divulge the existence of this Cyber Extortion coverage.

4. Misdirected Payment Fraud

a. Misdirected Payment Fraud applies only if all of the following conditions are met:

- (1) There has been a "wrongful transfer event" against you; and
- (2) Such "wrongful transfer event" took place in the "coverage territory"; and
- (3) Such "wrongful transfer event" is first discovered by you during the "policy period"; and
- (4) Such "wrongful transfer event" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you; and
- (5) Such "wrongful transfer event" is reported in writing by you to the police.

b. If all the conditions listed above in 4.a. have been met, then we will pay your necessary and reasonable "wrongful transfer costs" arising directly from the "wrongful transfer event".

5. Computer Fraud

a. Computer Fraud applies only if all of the following conditions are met:

- (1) There has been a "computer fraud event" against you; and
- (2) Such "computer fraud event" took place in the "coverage territory"; and
- (3) Such "computer fraud event" is first discovered by you during the "policy period"; and
- (4) Such "computer fraud event" is reported to us within 60 days after the date it is first discovered by you; and
- (5) Such "computer fraud event" is reported in writing by you to the police.

b. If all the conditions listed in 5.a. above have been met, then we will pay your necessary and reasonable "computer fraud costs" arising directly from the "computer fraud event".

6. Data Compromise Liability

a. Data Compromise Liability applies only if all of the following conditions are met:

- (1) During the "policy period" or any applicable Extended Reporting Period, you first receive notice of one of the following:
 - (a) A "claim"; or
 - (b) A "regulatory proceeding".
- (2) Such "claim" or "regulatory proceeding" must arise from a "personal data compromise" that:
 - (a) Took place during the "coverage term"; and
 - (b) Took place in the "coverage territory"; and
 - (c) Was submitted to us and insured under Data Compromise Response Expenses.
- (3) Such "claim" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.

b. If all the conditions listed in 6.a. above have been met, then we will pay on your behalf any covered:

- (1) "Loss" directly arising from the "claim"; or
- (2) "Defense costs" directly arising from a "regulatory proceeding".
- c. All "claims" and "regulatory proceedings" arising from a single "personal data compromise" or interrelated "personal data compromises" will be deemed to have been made at the time that notice of the first of those "claims" or "regulatory proceedings" is received by you.

7. Network Security Liability

- a. Network Security Liability applies only if all of the following conditions are met:
 - (1) During the "policy period" or any applicable Extended Reporting Period, you first receive notice of a "claim" which arises from a "network security incident" that:
 - (a) Took place during the "coverage term"; and
 - (b) Took place in the "coverage territory"; and
 - (2) Such "claim" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.
- b. If all the conditions listed in 7.a. above have been met, then we will pay on your behalf any covered "loss" directly arising from the "claim".
- c. All "claims" arising from a single "network security incident" or interrelated "network security incidents" will be deemed to have been made at the time that notice of the first of those "claims" is received by you.

8. Electronic Media Liability

- a. Electronic Media Liability applies only if all of the following conditions are met:
 - (1) During the "policy period" or any applicable Extended Reporting Period, you first receive notice of a "claim" which arises from an "electronic media incident" that:
 - (a) Took place during the "coverage term"; and
 - (b) Took place in the "coverage territory"; and
 - (2) Such "claim" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.

- b. If all the conditions listed in 8.a. above have been met, then we will pay on your behalf any covered "loss" directly arising from the "claim".
- c. All "claims" arising from a single "electronic media incident" or interrelated "electronic media incidents" will be deemed to have been made at the time that notice of the first of those "claims" is received by you.

9. Identity Recovery

- a. Identity Recovery applies only if all of the following conditions are met:
 - (1) There has been an "identity theft" involving the personal identity of an "identity recovery insured" under this Cyber Coverage; and
 - (2) Such "identity theft" took place in the "coverage territory"; and
 - (3) Such "identity theft" is first discovered by the "identity recovery insured" during the "policy period"; and
 - (4) Such "identity theft" is reported to us within 60 days after it is first discovered by the "identity recovery insured".
- b. If all the conditions listed in 9.a. above have been met, then we will provide the following to the "identity recovery insured":
 - (1) **Case Management Service**
We will pay for the services of an "identity recovery case manager" as needed to respond to the "identity theft"; and
 - (2) **Expense Reimbursement**
We will pay for reimbursement of necessary and reasonable "identity recovery expenses" incurred as a direct result of the "identity theft".

B. EXCLUSIONS

The following additional exclusions apply to this coverage:

We will not pay for costs or "loss" arising from the following:

1. Failure or interruption of, or damage to, any electrical power supply network or telecommunications network not owned and operated by you including, but not limited to, the internet, internet service providers, Domain Name System (DNS) service providers, cable and wireless providers, internet exchange providers, search engine providers, internet protocol networks (and similar networks that may have different designations) and other providers of telecommunications or internet infrastructure.
2. Any attack on, incident involving, or loss to any computer or system of computers that is not a "computer system".
3. Costs to research or correct any deficiency.
4. Any fines or penalties other than those explicitly covered under Data Compromise Response Expenses.
5. Any criminal investigations or proceedings.
6. Your intentional or willful complicity in a covered "loss" event.
7. Your reckless disregard for the security of your "computer system" or data, including confidential or sensitive information of others in your care, custody or control.
8. Any criminal, fraudulent or dishonest act, error or omission, or any intentional or knowing violation of the law by you.
9. Any "personal data compromise", "computer attack", "cyber extortion threat", "wrongful transfer event", "computer fraud event" or "wrongful act" occurring before the "coverage term".
10. That part of any "claim" seeking any non-monetary relief. However, this exclusion does not apply to "defense costs" arising from an otherwise insured "wrongful act".
11. The propagation or forwarding of malware, including viruses, worms, Trojans, spyware and keyloggers in connection with hardware or software created, produced or modified by you for sale, lease or license to third parties.
12. Any oral or written publication of material, if done by you or at your direction with knowledge of its falsity.
13. "Property damage" or "bodily injury" other than mental anguish or mental injury alleged in a "claim" covered under Electronic Media Liability.
14. The theft of a professional or business identity.

15. Any fraudulent, dishonest or criminal act by an "identity recovery insured" or any person aiding or abetting an "identity recovery insured", or by any "authorized representative" of an "identity recovery insured", whether acting alone or in collusion with others. However, this exclusion will not apply to the interests of an "identity recovery insured" who has no knowledge of or involvement in such fraud, dishonesty or criminal act.
16. An "identity theft" that is not reported in writing to the police.

C. LIMITS OF INSURANCE

1. Aggregate Limits

The First Party Annual Aggregate Limit shown in the Schedule is the most we will pay for all "loss" under all the Data Compromise Response Expenses, Computer Attack, Cyber Extortion, Misdirected Payment Fraud, and Computer Fraud coverages in any one "policy period". The First Party Annual Aggregate Limit shown in the Schedule applies regardless of the number of insured events first discovered during the "policy period".

Except for post-judgment interest the Third Party Annual Aggregate Limit shown in the Schedule is the most we will pay for all "loss" under all the Data Compromise Liability, Network Security Liability and Electronic Media Liability coverages in any one "policy period" or any applicable Extended Reporting Period. The Third Party Annual Aggregate Limit shown in the Schedule applies regardless of the number of insured "claims" or "regulatory proceedings" first received during the "policy period" or any applicable Extended Reporting Period.

If a Cyber Suite Annual Aggregate limit is shown in the Schedule, then except for post-judgment interest, the Cyber Suite Annual Aggregate Limit shown in the Schedule is the most we will pay for all "loss" under all applicable coverage sections, except Identity Recovery, in any one "policy period" or any applicable Extended Reporting Period. The Cyber Suite Annual Aggregate Limit shown in the Schedule applies regardless of the number of insured events first discovered or "claims" or "regulatory proceedings" first received during the "policy period" or any applicable Extended Reporting Period.

The Identity Recovery Coverage is subject to the Identity Recovery Limit as shown in the Schedule.

2. Coverage Sublimits**a. Data Compromise Sublimits**

The most we will pay under Data Compromise Response Expenses for Forensic IT Review, Legal Review, Public Relations, Regulatory Fines and Penalties and PCI Fines and Penalties coverages for "loss" arising from any one "personal data compromise" is the applicable sublimit for each of those coverages shown in the Schedule.

These sublimits are part of, and not in addition to, the First Party Annual Aggregate Limit shown in the Schedule. Public Relations coverage is also subject to a limit per "affected individual" as described in **A.1.b.(5)**.

b. Computer Attack Sublimits

The most we will pay under Computer Attack for Loss of Business and Extended Income Recovery coverages for "loss" arising from any one "computer attack" is the applicable Loss of Business sublimit shown in the Schedule. The most we will pay under Computer Attack for Public Relations coverage for "loss" arising from any one "computer attack" is the applicable Public Relations sublimit shown in the Schedule. These sublimits are part of, and not in addition to, the First Party Annual Aggregate Limit shown in the Schedule.

c. Cyber Extortion Sublimit

The most we will pay under Cyber Extortion coverage for "loss" arising from one "cyber extortion threat" is the applicable sublimit shown in the Schedule. This sublimit is part of, and not in addition to, the First Party Annual Aggregate Limit shown in the Schedule.

d. Misdirected Payment Fraud Sublimit

The most we will pay under Misdirected Payment Fraud coverage for "loss" arising from one "wrongful transfer event" is the applicable sublimit shown in the Schedule. This sublimit is part of, and not in addition to, the First Party Annual Aggregate Limit shown in the Schedule.

e. Computer Fraud Sublimit

The most we will pay under Computer Fraud coverage for "loss" arising from one "computer fraud event" is the applicable sublimit shown in the Schedule. This sublimit is part of, and not in addition to, the First Party Annual Aggregate Limit shown in the Schedule.

f. Identity Recovery Sublimits

The following provisions are applicable only to the Identity Recovery Coverage.

- (1) Case Management Service for any one "identity theft" for up to 12 consecutive months from the inception of the service. Expenses we incur to provide Case Management Services do not reduce the Annual Aggregate Limit for Identity Recovery.
- (2) "Identity Recovery Expenses" for Legal Costs are part of, and not in addition to, the Annual Aggregate Limit for Identity Recovery.
- (3) "Identity Recovery Expenses" for Child and Elder Care Expenses are jointly subject to the Lost Wages and Child and Elder Care sublimit shown in the Schedule. This sublimit is part of, and not in addition to, the Annual Aggregate Limit for Identity Recovery. Coverage is limited to wages lost and expenses incurred within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".
- (4) "Identity Recovery Expenses" for Mental Health Counseling is subject to the Mental Health Counseling sublimit shown in the Schedule. This sublimit is part of, and not in addition to, the Annual Aggregate Limit for Identity Recovery. Coverage is limited to counseling that takes place within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".
- (5) "Identity Recovery Expenses" for Miscellaneous Unnamed Costs is subject to the Miscellaneous Unnamed Costs sublimit shown in the Schedule. This sublimit is part of, and not in addition to, the Annual Aggregate Limit for Identity Recovery. Coverage is limited to costs incurred within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".

3. Application of Limits

- a. A "computer attack", "cyber extortion threat", "personal data compromise", "wrongful transfer event", "computer fraud event" or "identity theft" may be first discovered by you in one "policy period" but it may cause insured "loss" in one or more subsequent "policy periods". If so, all insured "loss" arising from such "computer attack", "cyber extortion threat", "personal data compromise", "wrongful transfer event", "computer fraud event" or "identity theft" will be subject to the limit of insurance applicable to the "policy period" when the "computer attack", "cyber extortion threat", "personal data compromise", "wrongful transfer event", "computer fraud event" or "identity theft" was first discovered by you.
- b. You may first receive notice of a "claim" or "regulatory proceeding" in one "policy period" but it may cause insured "loss" in one or more subsequent "policy periods". If so, all insured "loss" arising from such "claim" or "regulatory proceeding" will be subject to the limit of insurance applicable to the "policy period" when notice of the "claim" or "regulatory proceeding" was first received by you.
- c. The limit of insurance for the Extended Reporting Periods (if applicable) will be part of, and not in addition to, the limit of insurance for the immediately preceding "policy period".
- d. Coverage for Services to Affected Individuals under Data Compromise Response Expenses is limited to costs to provide such services for a period of up to one year from the date of the notification to the "affected individuals". Notwithstanding, coverage for Identity Restoration Case Management services initiated within such one year period may continue for a period of up to one year from the date such Identity Restoration Case Management services are initiated.

D. DEDUCTIBLES

1. We will not pay for "loss" until the amount of the insured "loss" exceeds the deductible amount shown in the Schedule. We will then pay the amount of "loss" in excess of the applicable deductible amount, subject to the applicable limits shown in the Schedule. You will be responsible for the applicable deductible amount.

2. The deductible will apply to all:

- a. "Loss" arising from the same insured event or interrelated insured events under Data Compromise Response Expenses, Computer Attack, Cyber Extortion, Misdirected Payment Fraud, or Computer Fraud.
 - b. "Loss" resulting from the same "wrongful act" or interrelated "wrongful acts" insured under Data Compromise Liability, Network Security Liability or Electronic Media Liability.
3. In the event that "loss" is insured under more than one coverage section, only the single highest deductible applies.
 4. Insurance coverage under Identity Recovery is not subject to a deductible.

E. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

1. Bankruptcy

The bankruptcy or insolvency of you or your estate, will not relieve you or us of any obligation under this Cyber Coverage.

2. Defense And Settlement

- a. We shall have the right and the duty to assume the defense of any applicable "claim" or "regulatory proceeding" against you. You shall give us such information and cooperation as we may reasonably require.
- b. You shall not admit liability for or settle any "claim" or "regulatory proceeding" or incur any defense costs without our prior written consent.
- c. At the time a "claim" or "regulatory proceeding" is first reported to us, you may request that we appoint a defense attorney of your choice. We will give full consideration to any such request.
- d. If you refuse to consent to any settlement recommended by us and acceptable to the claimant, we may then withdraw from your defense by tendering control of the defense to you. From that point forward, you shall, at your own expense, negotiate or defend such "claim" or "regulatory proceeding" independently of us. Our liability shall not exceed the amount for which the "claim" or suit could have been settled if such recommendation was consented to, plus "defense costs" incurred by us, and "defense costs" incurred by you with our written consent, prior to the date of such refusal.

e. We will not be obligated to pay any "loss" or "defense costs", or to defend or continue to defend any "claim" or "regulatory proceeding" after the applicable limit of insurance has been exhausted.

f. We will pay all interest on that amount of any judgment within the applicable limit of insurance which accrues:

(1) After entry of judgment; and

(2) Before we pay, offer to pay or deposit in court that part of the judgment within the applicable limit of insurance or, in any case, before we pay or offer to pay the entire applicable limit of insurance.

These interest payments shall be in addition to and not part of the applicable limit of insurance.

3. Due Diligence

You agree to use due diligence to prevent and mitigate "loss" insured under this Cyber Coverage. This includes, but is not limited to, complying with, and requiring your vendors to comply with, reasonable and industry-accepted protocols for:

- a. Providing and maintaining appropriate physical security for your premises, "computer systems" and hard copy files;
- b. Providing and maintaining appropriate computer and Internet security;
- c. Maintaining and updating at appropriate intervals backups of computer data;
- d. Protecting transactions, such as processing credit card, debit card and check payments; and
- e. Appropriate disposal of files containing "personally identifying information", "personally sensitive information" or "third party corporate data", including shredding hard copy files and destroying physical media used to store electronic data.

4. Duties in the Event of a Claim, Regulatory Proceeding or Loss

- a. If, during the "policy period", incidents or events occur which you reasonably believe may give rise to a "claim" or "regulatory proceeding" for which coverage may be provided hereunder, such belief being based upon either written notice from the potential claimant or the potential claimant's representative; or notice of a complaint filed with a federal, state or local agency; or upon an oral "claim", allegation or threat, you shall give written notice to us as soon as practicable and either:

(1) Anytime during the "policy period"; or

(2) Anytime during the extended reporting periods (if applicable).

b. If a "claim" or "regulatory proceeding" is brought against you, you must:

(1) Immediately record the specifics of the "claim" or "regulatory proceeding" and the date received;

(2) Provide us with written notice, as soon as practicable, but in no event more than 60 days after the date the "claim" or "regulatory proceeding" is first received by you;

(3) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "regulatory proceeding";

(4) Authorize us to obtain records and other information;

(5) Cooperate with us in the investigation, settlement or defense of the "claim" or "regulatory proceeding";

(6) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to you because of "loss" or "defense costs" to which this insurance may also apply; and

(7) Not take any action, or fail to take any required action, that prejudices your rights or our rights with respect to such "claim" or "regulatory proceeding".

c. In the event of a "personal data compromise", "computer attack", "cyber extortion threat", "wrongful transfer event", "computer fraud event" or "identity theft", insured under this Cyber Coverage, you and any involved "identity recovery insured" must see that the following are done:

(1) Notify the police if a law may have been broken.

(2) Notify us as soon as practicable, but in no event more than 60 days after the event, "claim", "regulatory proceeding" or "loss". Include a description of any property involved.

(3) As soon as possible, give us a description of how, when and where the event, "claim", "regulatory proceeding" or "loss" occurred.

(4) As often as may be reasonably required, permit us to:

(a) Inspect the property proving the "claim" or "loss".

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- (b) Examine your books, records, electronic media and records and hardware;
 - (c) Take samples of damaged and undamaged property for inspection, testing and analysis; and
 - (d) Make copies from your books, records, electronic media and records and hardware.
- (5) Send us signed, sworn proof of "loss" containing the information we request to investigate the "claim" or "loss". You must do this within 60 days after our request. We will supply you with the necessary forms.
- (6) Cooperate with us in the investigation or settlement of the "claim" or "loss".
- (7) If you intend to continue your business, you must resume all or part of your operations as quickly as possible.
- (8) Make no statement that will assume any obligation or admit any liability, for any "loss" for which we may be liable, without our prior written consent.
- (9) Promptly send us any legal papers or notices received concerning the "loss".
- d. We may examine you under oath at such times as may be reasonably required, about any matter relating to this insurance or the "claim", "regulatory proceeding" or "loss", including your books and records. In the event of an examination, your answers must be signed.
- e. You may not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our prior written consent.

5. Extended Reporting Periods

- a. You shall have the right to the Extended Reporting Periods described in this section, in the event of a "termination of coverage".
- b. If a "termination of coverage" has occurred, you shall have the right to the following:
 - (1) At no additional premium, an Automatic Extended Reporting Period of 30 days immediately following the effective date of the "termination of coverage" during which you may first receive notice of a "claim" or "regulatory proceeding" arising directly from a "wrongful act" occurring before the end of the "policy period" and which is otherwise insured by this Cyber Coverage; and

- (2) Upon payment of the additional premium of 100% of the full annual premium associated with the relevant coverage, a Supplemental Extended Reporting Period of one year immediately following the effective date of the "termination of coverage" during which you may first receive notice of a "claim" or "regulatory proceeding" arising directly from a "wrongful act" occurring before the end of the "policy period" and which is otherwise insured by this Cyber Coverage.

To obtain the Supplemental Extended Reporting Period, you must request it in writing and pay the additional premium due, within 30 days after the effective date of "termination of coverage". The additional premium for the Supplemental Extended Reporting Period will be fully earned at the inception of the Supplemental Extended Reporting Period. If we do not receive the written request as required, you may not exercise this right at a later date.

This insurance, provided during the Supplemental Extended Reporting Period, is excess over any other valid and collectible insurance that begins or continues in effect after the Supplemental Extended Reporting Period becomes effective, whether the other insurance applies on a primary, excess, contingent, or any other basis.

6. Legal Action Against Us

No one may bring a legal action against us under this insurance unless:

- a. There has been full compliance with all of the terms of this insurance; and
- b. The action is brought within two years after the date the "loss" or "identity theft" is first discovered by you, or the date on which you first receive notice of a "claim" or "regulatory proceeding".

7. Legal Advice

We are not your legal advisor. Our determination of what is or is not insured under this Cyber Coverage does not represent advice or counsel from us about what you should or should not do.

8. Other Insurance

If there is other insurance that applies to the same "loss", this Cyber Coverage shall apply only as excess insurance after all other applicable insurance has been exhausted.

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9. Pre-Notification Consultation

You agree to consult with us prior to the issuance of notification to “affected individuals”. We assume no responsibility under Data Compromise Response Expenses for any services promised to “affected individuals” without our prior agreement. If possible, this pre-notification consultation will also include the designated service provider(s) as agreed to under the Service Providers condition below. You must provide the following at our pre-notification consultation with you:

- a. The exact list of “affected individuals” to be notified, including contact information.
- b. Information about the “personal data compromise” that may appropriately be communicated with “affected individuals”.
- c. The scope of services that you desire for the “affected individuals”. For example, coverage may be structured to provide fewer services in order to make those services available to more “affected individuals” without exceeding the available Data Compromise Response Expenses limit of insurance.

10. Service Providers

- a. We will only pay under this Cyber Coverage for services that are provided by service providers approved by us. You must obtain our prior approval for any service provider whose expenses you want covered under this Cyber Coverage. We will not unreasonably withhold such approval.
- b. Prior to the Pre-Notification Consultation described in the Pre-Notification Consultation Condition above, you must come to agreement with us regarding the service provider(s) to be used for the Notification to Affected Individuals and Services to Affected Individuals. We will suggest a service provider. If you prefer to use an alternate service provider, our coverage is subject to the following limitations:
 - (1) Such alternate service provider must be approved by us;
 - (2) Such alternate service provider must provide services that are reasonably equivalent or superior in both kind and quality to the services that would have been provided by the service provider we had suggested; and

- (3) Our payment for services provided by any alternate service provider will not exceed the amount that we would have paid using the service provider we had suggested.

11. Services

The following conditions apply as respects any services provided to you or any “affected individual” or “identity recovery insured” by us, our designees or any service firm paid for in whole or in part under this Cyber Coverage:

- a. The effectiveness of such services depends on the cooperation and assistance of you, “affected individuals” and “identity recovery insureds”.
- b. All services may not be available or applicable to all individuals. For example, “affected individuals” and “identity recovery insureds” who are minors or foreign nationals may not have credit records that can be provided or monitored. Service in Canada will be different from service in the United States and Puerto Rico in accordance with local conditions.
- c. We do not warrant or guarantee that the services will end or eliminate all problems associated with the covered events.
- d. Except for the services of an “identity recovery case manager” under Identity Recovery, which we will provide directly, you will have a direct relationship with the professional service firms paid for in whole or in part under this Cyber Coverage. Those firms work for you.

12. Valuation

We will determine the value of “money” as follows:

Our payment for loss of “money” or loss payable in “money” will be, at your option, in the “money” of the country in which the “wrongful transfer event” or “computer fraud event” took place or in the United States of America dollar equivalent thereof determined at the rate of exchange published by the Wall Street Journal at the time of payment of such loss.

F. DEFINITIONS

1. “Affected Individual” means any person whose “personally identifying information” or “personally sensitive information” is lost, stolen, accidentally released or accidentally published by a “personal data compromise” covered under this Cyber Coverage. This definition is subject to the following provisions:

- a. "Affected individual" does not include any business or organization. Only an individual person may be an "affected individual".
- b. An "affected individual" may reside anywhere in the world.
- 2. **"Authorized Representative"** means a person or entity authorized by law or contract to act on behalf of an "identity recovery insured".
- 3. **"Authorized Third Party User"** means a party who is not an employee or a director of you who is authorized by contract or other agreement to access the "computer system" for the receipt or delivery of services.
- 4. **"Bodily Injury"** means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
- 5. **"Business Income and Extra Expense Loss"** means loss of Business Income and Extra Expense.
 - a. As used in this definition, Business Income means the sum of:
 - (1) Net income (net profit or loss before income taxes) that would have been earned or incurred; and
 - (2) Continuing normal and necessary operating expenses incurred, including employee and director payroll.
 - b. As used in this definition, Extra Expense means the additional cost you incur to operate your business over and above the cost that you normally would have incurred to operate your business during the same period had no "computer attack" occurred.
- 6. **"Claim"**
 - a. "Claim" means:
 - (1) A written demand for monetary damages or non-monetary relief, including injunctive relief;
 - (2) A civil proceeding commenced by the filing of a complaint;
 - (3) An arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent;
 - (4) Any other alternative dispute resolution proceeding in which such damages are claimed and to which you must submit or to which we agree you should submit to;

arising from a "wrongful act" or a series of interrelated "wrongful acts" including any resulting appeal.

- b. "Claim" does not mean or include:
 - (1) Any demand or action brought by or on behalf of someone who is:
 - (a) Your director;
 - (b) Your owner or part-owner; or
 - (c) A holder of your securities;
 in their capacity as such, whether directly, derivatively, or by class action. "Claim" will include proceedings brought by such individuals in their capacity as "affected individuals", but only to the extent that the damages claimed are the same as would apply to any other "affected individual"; or
 - (2) A "regulatory proceeding".
- c. Includes a demand or proceeding arising from a "wrongful act" that is a "personal data compromise" only when the "personal data compromise" giving rise to the proceeding was covered under Data Compromise Response Expenses section of this Cyber Coverage, and you submitted a "claim" to us and provided notifications and services to "affected individuals" in consultation with us pursuant to Data Compromise Response Expenses in connection with such "personal data compromise".
- 7. **"Computer Attack"**
 - a. "Computer attack" means one of the following involving the "computer system":
 - (1) An "unauthorized access incident";
 - (2) A "malware attack"; or
 - (3) A "denial of service attack" against a "computer system".
 - b. A "computer attack" ends at the earlier of:
 - (1) The time that the active attacking behavior ceases, the time that you have regained control over the "computer system" or the time that all unauthorized creation, destruction or movement of data associated with the "computer attack" has ceased, whichever happens latest; or
 - (2) 30 days after your discovery of the "computer attack".

8. **“Computer System”** means a computer or other electronic hardware that:

- a. Is owned or leased by you and operated under your control; or
- b. Is operated by a third party service provider used for the purpose of providing hosted computer application services to you or for processing, maintaining, hosting or storing your electronic data, pursuant to a written contract with you for such services. However, such computer or other electronic hardware operated by such third party shall only be considered to be a “computer system” with respect to the specific services provided by such third party to you under such contract.

9. **“Computer Fraud Costs”** means:

- a. The amount of “money” fraudulently obtained from you. “Computer fraud costs” include the direct financial loss only.
- b. “Computer fraud costs” do not include any of the following:
 - (1) Other expenses that arise from the “computer fraud event”;
 - (2) Indirect loss, such as “bodily injury”, lost time, lost wages, “identity recovery expenses” or damaged reputation;
 - (3) Any interest, time value or potential investment gain on the amount of financial loss; or
 - (4) Any portion of such amount that has been or can reasonably be expected to be reimbursed by a third party, such as a financial institution.

10. **“Computer Fraud Event”** means:

- a. An “unauthorized access incident” that leads to the intentional, unauthorized and fraudulent entry of or change to data or instructions within a “computer system” owned or leased by you and operated under your control. Such fraudulent entry or change must be conducted by a person who is not an “employee”, “executive” or “independent contractor”. Such fraudulent entry or change must cause “money” to be sent or diverted. The fraudulent entry or change must result in direct financial loss to you.
- b. “Computer fraud event” does not mean or include any occurrence:
 - (1) In which you are threatened or coerced to send money or divert a payment; or

- (2) Arising from a dispute or a disagreement over the completeness, authenticity or value of a product, a service or a financial instrument.

11. **“Coverage Term”** means the increment of time:

- a. Commencing on the earlier of the first inception date of this Cyber Coverage or the first inception date of any coverage substantially similar to that described in this Cyber Coverage and held immediately prior to this Cyber coverage; and
- b. Ending upon the “termination of coverage”.

12. **“Coverage Territory”** means:

- a. With respect to Data Compromise Response Expenses, Computer Attack, Cyber Extortion, Misdirected Payment Fraud, Computer Fraud and Identity Recovery, “coverage territory” means anywhere in the world.
- b. With respect to Data Compromise Liability, Network Security Liability and Electronic Media Liability, “coverage territory” means anywhere in the world, however “claims” must be brought within the United States (including its territories and possessions) or Puerto Rico.

13. **“Cyber Extortion Expenses”** means:

- a. The cost of a negotiator or investigator retained by you in connection with a “cyber extortion threat”; and
- b. Any amount paid by you in response to a “cyber extortion threat” to the party that made the “cyber extortion threat” for the purposes of eliminating the “cyber extortion threat” when such expenses are necessary and reasonable and arise directly from a “cyber extortion threat”. The payment of “cyber extortion expenses” must be approved in advance by us. We will not pay for “cyber extortion expenses” that have not been approved in advance by us. We will not unreasonably withhold our approval.

14. **“Cyber Extortion Threat”** means:

- a. “Cyber extortion threat” means a demand for money from you based on a credible threat, or series of related credible threats, to:
 - (1) Launch a “denial of service attack” against the “computer system” for the purpose of denying “authorized third party users” access to your services provided through the “computer system” via the Internet;

- (2) Gain access to a "computer system" and use that access to steal, release or publish "personally identifying information", "personally sensitive information" or "third party corporate data";
- (3) Alter, damage or destroy electronic data or software while such electronic data or software is stored within a "computer system";
- (4) Launch a "computer attack" against a "computer system" in order to alter, damage or destroy electronic data or software while such electronic data or software is stored within a "computer system"; or
- (5) Cause you to transfer, pay or deliver any funds or property using a "computer system" without your authorization.

- b. "Cyber extortion threat" does not mean or include any threat made in connection with a legitimate commercial dispute.

15. "Data Re-creation Costs"

- a. "Data re-creation costs" means the costs of an outside professional firm hired by you to research, re- create and replace data that has been lost or corrupted and for which there is no electronic source available or where the electronic source does not have the same or similar functionality to the data that has been lost or corrupted.
- b. "Data re-creation costs" does not mean or include costs to research, re-create or replace:
 - (1) Software programs or operating systems that are not commercially available; or
 - (2) Data that is obsolete, unnecessary or useless to you.

16. "Data Restoration Costs"

- a. "Data restoration costs" means the costs of an outside professional firm hired by you to replace electronic data that has been lost or corrupted. In order to be considered "data restoration costs", such replacement must be from one or more electronic sources with the same or similar functionality to the data that has been lost or corrupted.
- b. "Data restoration costs" does not mean or include costs to research, re-create or replace:

- (1) Software programs or operating systems that are not commercially available; or
- (2) Data that is obsolete, unnecessary or useless to you.

17. "Defense Costs"

- a. "Defense costs" means reasonable and necessary expenses consented to by us resulting solely from the investigation, defense and appeal of any "claim" or "regulatory proceeding" against you. Such expenses may include premiums for any appeal bond, attachment bond or similar bond. However, we have no obligation to apply for or furnish such bond.
- b. "Defense costs" does not mean or include the salaries or wages of your employees, or directors, or your loss of earnings.

- 18. "Denial of Service Attack" means an intentional attack against a target computer or network of computers designed to overwhelm the capacity of the target computer or network in order to deny or impede authorized users from gaining access to the target computer or network through the Internet.

- 19. "Electronic Media Incident" means an allegation that the display of information in electronic form by you on a website resulted in:

- a. Infringement of another's copyright, title, slogan, trademark, trade name, trade dress, service mark or service name;
- b. Defamation against a person or organization that is unintended; or
- c. A violation of a person's right of privacy, including false light and public disclosure of private facts.

- 20. "Employee" means any natural person, other than an "executive", who was, now is or will be:

- a. Employed on a full-time or part-time basis by you;
- b. Furnished temporarily to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions;
- c. Leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in paragraph b.; or
- d. Your volunteer worker, which includes unpaid interns.

21. **“Executive”** means any natural person who was, now is or will be:

- a. The owner of your sole proprietorship; or
- b. A duly elected or appointed:
 - (1) Director;
 - (2) Officer;
 - (3) Managing Partner;
 - (4) General Partner;
 - (5) Member (if a limited liability company);
 - (6) Manager (if a limited liability company); or
 - (7) Trustee;
 of your business.

22. **“Extended Income Loss”** means your actual “business income and extra expense loss” incurred during the “extended recovery period”.

23. **“Extended Recovery Period”** means a fixed period of 180 days immediately following the end of the “period of restoration”.

24. **“Identity Recovery Case Manager”** means one or more individuals assigned by us to assist an “identity recovery insured” with communications we deem necessary for re-establishing the integrity of the personal identity of the “identity recovery insured”. This includes, with the permission and cooperation of the “identity recovery insured”, written and telephone communications with law enforcement authorities, governmental agencies, credit agencies and individual creditors and businesses.

25. **“Identity Recovery Expenses”** means the following when they are reasonable and necessary expenses that are incurred as a direct result of an “identity theft” suffered by an “identity recovery insured”:

a. Re-Filing Costs

Costs for re-filing applications for loans, grants or other credit instruments that are rejected solely as a result of an “identity theft”.

b. Notarization, Telephone and Postage Costs

Costs for notarizing affidavits or other similar documents, long distance telephone calls and postage solely as a result of the “identity recovery insured’s” efforts to report an “identity theft” or amend or rectify records as to the “identity recovery insured’s” true name or identity as a result of an “identity theft”.

c. Credit Reports

Costs for credit reports from established credit bureaus.

d. Legal Costs

Fees and expenses for an attorney approved by us for the following:

- (1) The defense of any civil suit brought against an “identity recovery insured”.
- (2) The removal of any civil judgment wrongfully entered against an “identity recovery insured”.
- (3) Legal assistance for an “identity recovery insured” at an audit or hearing by a governmental agency.
- (4) Legal assistance in challenging the accuracy of the “identity recovery insured’s” consumer credit report.
- (5) The defense of any criminal charges brought against an “identity recovery insured” arising from the actions of a third party using the personal identity of the “identity recovery insured”.

e. Lost Wages

Actual lost wages of the “identity recovery insured” for time reasonably and necessarily taken away from work and away from the work premises. Time away from work includes partial or whole work days. Actual lost wages may include payment for vacation days, discretionary days, floating holidays and paid personal days. Actual lost wages does not include sick days or any loss arising from time taken away from self-employment. Necessary time off does not include time off to do tasks that could reasonably have been done during non-working hours.

f. Child and Elder Care Expenses

Actual costs for supervision of children or elderly or infirm relatives or dependents of the “identity recovery insured” during time reasonably and necessarily taken away from such supervision. Such care must be provided by a professional care provider who is not a relative of the “identity recovery insured”.

g. Mental Health Counseling

Actual costs for counseling from a licensed mental health professional. Such care must be provided by a professional care provider who is not a relative of the “identity recovery insured”.

h. Miscellaneous Unnamed Costs

Any other reasonable costs necessarily incurred by an "identity recovery insured" as a direct result of the "identity theft".

(1) Such costs include:

- (a)** Costs by the "identity recovery insured" to recover control over his or her personal identity.
- (b)** Deductibles or service fees from financial institutions.

(2) Such costs do not include:

- (a)** Costs to avoid, prevent or detect "identity theft" or other loss.
- (b)** Money lost or stolen.
- (c)** Costs that are restricted or excluded elsewhere in this Cyber Coverage or policy.

26. "Identity Recovery Insured" means the following:

- a.** When the entity insured under this Cyber Coverage is a sole proprietorship, the "identity recovery insured" is the individual person who is the sole proprietor of the insured identity.
- b.** When the entity insured under this Cyber Coverage is a partnership, the "identity recovery insureds" are the current partners.
- c.** When the entity insured under this Cyber Coverage is a corporation or other form of organization, other than those described in **a.** or **b.** above, the "identity recovery insureds" are all individuals having an ownership position of 20% or more of the insured entity. However, if, and only if, there is no one who has such an ownership position, then the "identity recovery insured" will be:

- (1)** The chief executive of the insured entity; or
- (2)** As respects a religious institution, the senior ministerial employee.

An "identity recovery insured" must always be an individual person. If the entity insured under this Cyber Coverage is a legal entity, that legal entity is not an "identity recovery insured".

27. "Identity Theft"

- a.** "Identity theft" means the fraudulent use of "personally identifying information". This includes fraudulently using such information to establish credit accounts, secure loans, enter into contracts or commit crimes.

- b.** "Identity theft" does not mean or include the fraudulent use of a business name, d/b/a or any other method of identifying a business activity.

28. "Independent Contractor" means a natural person that provides goods or services to you under terms specified in a written contract, but only while acting on behalf of, at the direction of, and under the supervision of you.**29. "Loss"**

- a.** With respect to Data Compromise Response Expenses, "loss" means those expenses enumerated in Data Compromise Response Expenses, under **A.1.b.**
- b.** With respect to Computer Attack, "loss" means those expenses enumerated in Computer Attack, under **A.2.b.**
- c.** With respect to Cyber Extortion, "loss" means "cyber extortion expenses".
- d.** With respect to Misdirected Payment Fraud, "loss" means "wrongful transfer costs".
- e.** With respect to Computer Fraud, "loss" means "computer fraud costs".
- f.** With respect to Data Compromise Liability, Network Security Liability and Electronic Media Liability, "loss" means "defense costs" and "settlement costs".
- g.** With respect to Identity Recovery, "loss" means those expenses enumerated in Identity Recovery, under **A.9.b.**

30. "Malware Attack"

- a.** "Malware attack" means an attack that damages a "computer system" or data contained therein arising from malicious code, including viruses, worms, Trojans, spyware and keyloggers.
- b.** "Malware attack" does not mean or include damage from shortcomings or mistakes in legitimate electronic code or damage from code installed on your "computer system" during the manufacturing process or normal maintenance.

31. "Money" means:

- a.** "Money" means a medium of exchange in current use and authorized or adopted by a domestic or foreign government, including currency, coins, banknotes, bullion, travelers' checks, registered checks and money orders held for sale to the public.

- b. "Money" does not mean or include any cryptocurrency, whether or not authorized or adopted by a domestic or foreign government. Cryptocurrency includes, but is not limited to, Bitcoin, Ethereum and other forms of digital, virtual or electronic currency.

32. **"Network Security Incident"** means a negligent security failure or weakness with respect to a "computer system" which allowed one or more of the following to happen:

- a. The unintended propagation or forwarding of malware, including viruses, worms, Trojans, spyware and keyloggers. Malware does not include shortcomings or mistakes in legitimate electronic code;
- b. The unintended abetting of a "denial of service attack" against one or more other systems; or
- c. The unintended loss, release or disclosure of "third party corporate data".

33. **"Period of Restoration"** means the period of time that begins 8 hours after the time that a "computer attack" is discovered by you and continues until the earliest of:

- a. The date that all data restoration, data re-creation and system restoration directly related to the "computer attack" has been completed;
- b. The date on which such data restoration, data re-creation and system restoration could have been completed with the exercise of due diligence and dispatch; or
- c. If no data restoration, data re-creation or system restoration is required, the end of the "computer attack".

34. **"Personal Data Compromise"** means the loss, theft, accidental release or accidental publication of "personally identifying information" or "personally sensitive information" as respects one or more "affected individuals". If the loss, theft, accidental release or accidental publication involves "personally identifying information", such loss, theft, accidental release or accidental publication must result in or have the reasonable possibility of resulting in the fraudulent use of such information. This definition is subject to the following provisions:

- a. At the time of the loss, theft, accidental release or accidental publication, the "personally identifying information" or "personally sensitive information" need not be at the insured premises but must be in the direct care, custody or control of:

- (1) You; or

- (2) A professional entity with which you have a direct relationship and to which you (or an "affected individual" at your direction) have turned over (directly or via a professional transmission or transportation provider) such information for storage, processing, transmission or transportation of such information.

- b. "Personal data compromise" includes disposal or abandonment of "personally identifying information" or "personally sensitive information" without appropriate safeguards such as shredding or destruction, provided that the failure to use appropriate safeguards was accidental and not reckless or deliberate.

- c. "Personal data compromise" includes situations where there is a reasonable cause to suspect that such "personally identifying information" or "personally sensitive information" has been lost, stolen, accidentally released or accidentally published, even if there is no firm proof.

- d. All incidents of "personal data compromise" that are discovered at the same time or arise from the same cause will be considered one "personal data compromise".

35. **"Personally Identifying Information"**

- a. "Personally identifying information" means information, including health information, that could be used to commit fraud or other illegal activity involving the credit, access to health care or identity of an "affected individual" or "identity recovery insured". This includes, but is not limited to, Social Security numbers or account numbers.

- b. "Personally identifying information" does not mean or include information that is otherwise available to the public, such as names and addresses.

36. **"Personally Sensitive Information"**

- a. "Personally sensitive information" means private information specific to an individual the release of which requires notification of "affected individuals" under any applicable law.

- b. "Personally sensitive information" does not mean or include "personally identifying information".

37. **"Policy Period"** means the period commencing on the effective date shown in the Declarations. The "policy period" ends on the expiration date shown in the Declarations or the cancellation date of this Cyber Coverage, whichever comes first.

38. **"Property Damage"** means

- a. Physical injury to or destruction of tangible property including all resulting loss of use; or
- b. Loss of use of tangible property that is not physically injured.

39. **"Regulatory Proceeding"** means an investigation, demand or proceeding alleging a violation of law or regulation arising from a "personal data compromise" brought by, or on behalf of, the Federal Trade Commission, Federal Communications Commission or other administrative or regulatory agency, or any federal, state, local or foreign governmental entity in such entity's regulatory or official capacity.

40. **"Settlement Costs"**

- a. "Settlement costs" means the following, when they arise from a "claim":
 - (1) Damages, judgments or settlements; and
 - (2) Attorney's fees and other litigation costs added to that part of any judgment paid by us, when such fees and costs are awarded by law or court order; and
 - (3) Pre-judgment interest on that part of any judgment paid by us.
- b. "Settlement costs" does not mean or include:
 - (1) Civil or criminal fines or penalties imposed by law, except for civil fines and penalties expressly covered under Data Compromise Response Expenses;
 - (2) Punitive and exemplary damages;
 - (3) The multiple portion of any multiplied damages;
 - (4) Taxes; or
 - (5) Matters which may be deemed uninsurable under the applicable law.

c. With respect to fines and penalties, the law of the jurisdiction most favorable to the insurability of those fines, or penalties will control for the purpose of resolving any dispute between us and you regarding whether the fines, or penalties specified in this definition above are insurable under this Cyber Coverage, provided that such jurisdiction:

- (1) Is where those fines, or penalties were awarded or imposed;
- (2) Is where any "wrongful act" took place for which such fines, or penalties were awarded or imposed;
- (3) Is where you are incorporated or you have your principal place of business; or
- (4) Is where we are incorporated or have our principal place of business.

41. **"System Restoration Costs"**

- a. "System restoration costs" means the costs of an outside professional firm hired by you to do any of the following in order to restore your "computer system" to its pre-"computer attack" level of functionality:
 - (1) Replace or reinstall computer software programs;
 - (2) Remove any malicious code; and
 - (3) Configure or correct the configuration of your "computer system".
- b. "System restoration costs" does not mean or include:
 - (1) Costs to increase the speed, capacity or utility of a "computer system" beyond what existed immediately prior to the "computer attack";
 - (2) Labor costs of your employees or directors;
 - (3) Any costs in excess of the actual cash value of your "computer system"; or
 - (4) Costs to repair or replace hardware.

42. **"Termination of Coverage"** means:

- a. You or we cancel this coverage;
- b. You or we refuse to renew this coverage; or
- c. We renew this coverage on an other than claims-made basis or with a retroactive date later than the date of the first inception of this coverage or any coverage substantially similar to that described in this Cyber Coverage.

43. "Third Party Corporate Data"

- a. "Third party corporate data" means any trade secret, data, design, interpretation, forecast, formula, method, practice, credit or debit card magnetic strip information, process, record, report or other item of information of a third party not an insured under this Cyber Coverage which is not available to the general public and is provided to you subject to a mutually executed written confidentiality agreement or which you are legally required to maintain in confidence.
- b. "Third party corporate data" does not mean or include "personally identifying information" or "personally sensitive information".

44. "Unauthorized Access Incident" means the gaining of access to a "computer system" by:

- a. An unauthorized person or persons; or
- b. An authorized person or persons for unauthorized purposes.

45. "Wrongful Act"

- a. With respect to Data Compromise Liability, "wrongful act" means a "personal data compromise".
- b. With respect to Network Security Liability, "wrongful act" means a "network security incident".
- c. With respect to Electronic Media Liability, "wrongful act" means an "electronic media incident".

46. "Wrongful Transfer Costs" means the amount of "money" fraudulently obtained from you. "Wrongful transfer costs" include the direct financial loss only. "Wrongful transfer costs" do not include any of the following:

- a. Other expenses that arise from the "wrongful transfer event";
- b. Indirect loss, such as "bodily injury", lost time, lost wages, identity recovery expenses or damaged reputation;
- c. Any interest, time value or potential investment gain on the amount of financial loss; or
- d. Any portion of such amount that has been or can reasonably be expected to be reimbursed by a third party, such as a financial institution.

47. "Wrongful Transfer Event"

- a. "Wrongful transfer event" means an intentional and criminal deception of you or a financial institution with which you have an account. The deception must be perpetrated by a person who is not an "employee", "executive" or "independent contractor" using email, facsimile or telephone communications to induce you or the financial institution to send or divert "money". The deception must result in direct financial loss to you.
- b. "Wrongful transfer event" does not mean or include any occurrence:
 - (1) In which you are threatened or coerced to send money or divert a payment; or
 - (2) Arising from a dispute or disagreement over the completeness, authenticity or value of a product, a service or a financial instrument.

All other provisions of this policy apply.

COMMERCIAL PROPERTY
CP 01 49 06 07

ILLINOIS CHANGES – ARTIFICIALLY GENERATED ELECTRICAL CURRENT EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

A. The exclusion set forth in:

1. Paragraph **B.2.a.** of the Standard Property Policy, the Causes Of Loss – Basic Form, the Causes Of Loss – Broad Form and the Causes Of Loss – Special Form; and
2. Paragraph **B.2.b.** of the Mortgageholders Errors And Omissions Coverage Form

is replaced by the following exclusion:

We will not pay for loss or damage caused by or resulting from artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires.

But if artificially generated electrical current results in fire, we will pay for the loss or damage caused by that fire.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

CYBER SUITE COVERAGE

1. C. LIMITS OF INSURANCE, 1. Aggregate Limits is deleted and replaced with the following:

1. Aggregate Limits

The First Party Annual Aggregate Limit shown in the Schedule is the most we will pay for all "loss" under all the Data Compromise Response Expenses, Computer Attack, Cyber Extortion, Misdirected Payment Fraud, and Computer Fraud coverages in any one "policy period". The First Party Annual Aggregate Limit shown in the Schedule applies regardless of the number of insured events first discovered during the "policy period".

Except for pre- and post-judgment interest, the Third Party Annual Aggregate Limit shown in the Schedule is the most we will pay for all "loss" under all applicable coverage sections in any one "policy period" or any applicable Extended Reporting Period. The Third Party Annual Aggregate Limit shown in the Schedule applies regardless of the number of insured "claims" or "regulatory proceedings" first received during the "policy period" or any applicable Extended Reporting Period.

If a Cyber Suite Annual Aggregate limit is shown in the Schedule, then, except for pre- and post-judgment interest, the Cyber Suite Annual Aggregate Limit shown in the Schedule is the most we will pay for all "loss" under all applicable coverage sections, except Identity Recovery, in any one "policy period" or any applicable Extended Reporting Period. The Cyber Suite Annual Aggregate Limit shown in the Schedule applies regardless of the number of insured events first discovered or "claims" or "regulatory proceedings" first received during the "policy period" or any applicable Extended Reporting Period.

The Identity Recovery Coverage is subject to the Identity Recovery Limit as shown in the Schedule.

2. E. ADDITIONAL CONDITIONS, 2. Defense And Settlement, Paragraph **f.** is deleted and replaced with the following:

f. We will pay all interest on that amount of any judgment within the applicable limit of insurance which accrues:

- (1)** Before entry of judgment; and
- (2)** After entry of judgment but before we pay, offer to pay or deposit in court that part of the judgment within the applicable limit of insurance or, in any case, before we pay or offer to pay the entire applicable limit of insurance.

These interest payments shall be in addition to and not part of the applicable limit of insurance.

3. The following is added to E. ADDITIONAL CONDITIONS, 6. Legal Action Against Us:

The two year period for legal action against us is extended by the number of days between the date the statement of "loss" is filed with us and the date we deny the claim in whole or in part.

4. E. ADDITIONAL CONDITIONS, 8. Other Insurance is deleted and replaced with the following:

8. Other Insurance

If there is other similar insurance that applies to the same "loss" we will proportionately share payment of the amount of "loss" with the other insurance company.

5. F. DEFINITIONS, 17. "Defense Costs", Paragraph **b.** is deleted and replaced with the following:

b. "Defense costs" does not mean or include the salaries of your or our employees, officers or staff attorneys, or your loss of earnings.

6. F. DEFINITIONS, 40. "Settlement Costs", Paragraph **a.** is deleted and replaced with the following:

a. "Settlement costs" means the following, when they arise from a "claim":

- 1)** Damages, judgments or settlements; and
- 2)** Attorney's fees and other litigation costs added to that part of any judgment paid by us, when such fees and costs are awarded by law or court order.

West Bend Mutual Insurance Company
West Bend, Wisconsin 53095

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Endorsement

Auto Dealers Coverage Declarations**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076**Agency Name and Address:**ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

12778

Form of Business:

Corporation

In return for the payment of the premium, and subject to all the terms of this Policy, we agree with you to provide the insurance as stated in this Policy.

ITEM TWO: Schedule Of Coverages And Covered Autos

This Policy provides only those coverages where a charge and limit, if applicable, are shown in the columns below. Each of the "auto"-related coverages will apply only to those "autos" shown as covered "autos". "Autos" are shown as covered "autos" for the particular coverages by the entry of one or more of the symbols from Section I – Covered Autos Coverages of the Auto Dealers Coverage Form next to the name of the "auto"-related coverage.

Coverages	Covered Autos	Limit Or Deductible	Premium
Covered Autos Liability	21	\$1,000,000 Each Accident	\$12,004
General Liability Bodily Injury And Property Damage Liability		\$1,000,000 Each "Accident"	Included
Damages to Premises Rented To You		\$300,000 Any One Premises	Included
Personal and Advertising Injury Liability		\$1,000,000 Any One Person Or Organization	Included
		\$3,000,000 General Liability Aggregate	
		\$3,000,000 Products And Work You Performed Aggregate	
Acts, Errors Or Omissions Liability		\$1,000,000 Aggregate \$1,000 Deductible	\$396
Locations And Operations Medical Payments		\$5,000 Any One Person	\$506
Auto Medical Payments	21	\$5,000 Each Insured See Item Seven For Covered Autos Insured On A Specified Car Basis	\$32



Endorsement

Auto Dealers Coverage Declarations**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
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Uninsured Motorist	26, 28, 29	Separately Stated In Each State Specific Endorsement	\$43
Underinsured Motorist	26, 28, 29	Separately Stated In Each State Specific Endorsement	\$201
Garagekeepers Comprehensive	30	Separately Stated For Each Location In ITEM FIVE	\$110
Garagekeepers Collision	30	Separately Stated For Each Location In ITEM FIVE	\$164
Physical Damage Comprehensive Coverage	27, 31	See ITEM SIX For Dealers Autos. See ITEM SEVEN For Specified Auto Deductible.	\$2,162
Physical Damage Collision Coverage	27, 31	See ITEM SIX For Dealers Blanket Collision Autos. See ITEM SEVEN For Specified Auto Deductible.	\$741

Endorsements and Miscellaneous Premiums (See Endorsement and Miscellaneous Schedule):

\$722

Total Commercial Auto Premium:

\$17,081

Number of Dealer Plates for Uninsured Motorist and Underinsured Motorist (if applicable): 2

See attached Forms Schedule for forms and endorsements applicable to this coverage.



Endorsement

Auto Dealers Location and Liability Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
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ITEM THREE: Locations Where You Conduct Auto Dealer Operations

Loc	Location Address (State your main business location first)	Auto Dealer Classification
2	7501 Channel Rd/3215 Birchwood Skokie, IL 60076-4051	Non Franchised
1	7445 Channel Rd Skokie, IL 60076-4042	Non Franchised

ITEM FOUR: Liability And Personal Injury Protection (Or Equivalent Or Similar No-fault Coverages) – Premiums

Loc	Classes Of Operators	Number Of Persons	Rating Factor	Rating Units	Premiums			
					Liability	Dealers Medical Payments*	Personal Injury Protection	Acts, Errors Or Omissions
2	Class I – Employees Regular Operators				\$1,940	\$97		\$76
	Full-time	1.00	1.00	1.000				
	Part-time							
	Class I – Employees All Other							
	Full-time							
	Part-time							
	Class II – Non-employees Under Age 25							
	Class II – Non-employees 25 Or Over							
	All Employees (Only For Trailer Dealers)							



Endorsement

Auto Dealers Location and Liability Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
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Agency Name and Address:

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1	Class I – Employees Regular Operators				\$8,147	\$409		\$320
	Full-time	1.00	1.00	1.000				
	Part-time							
	Class I – Employees All Other							
	Full-time	8.00	.40	3.200				
	Part-time							
	Class II – Non-employees Under Age 25							
	Class II – Non-employees 25 Or Over							
	All Employees (Only For Trailer Dealers)							

Total Premium: \$10,989

* If the Location of this Auto Dealer Operation is in Virginia, Dealers Medical Payments is replaced with Dealers Medical Expense And/OR Income Loss Benefits (Virginia Only); refer to Virginia Medical Expense And Income Loss Benefits Endorsement.

DEFINITIONS**Class I – Employees**

Regular Operator: Proprietors, partners and officers active in the "auto dealer operations", salespersons, general managers, service managers, any "employee" whose principal duty involves the operation of covered "autos" or who is furnished a covered "auto".

All Others: All other "employees".

NOTE:

1. Part-time "employees" working an average of 20 hours or more a week for the number of weeks worked are to be counted as one full-time person each.
2. Part-time "employees" working an average of less than 20 hours a week for the number of weeks worked are to be counted as one part-time person each.



Endorsement

Auto Dealers Location and Liability Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076**Agency Name and Address:**ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
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Class II – Nonemployees

Any of the following persons who are regularly furnished with a covered "auto": inactive proprietors, partners or officers and the relatives of any person described in Class I.



Endorsement

Auto Dealers Garagekeepers Schedule**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
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ITEM FIVE: Garagekeepers Coverages And Premiums

Loc	Coverages	Limit Of Insurance	Deductible	Premium
1	Comprehensive	\$150,000	\$1,000 for All Perils For Each "Customer's Auto" \$5,000 Maximum Deductible For All "Loss" In Any One Event	\$110
	Collision	\$150,000	\$500 for each Customer's Auto	\$164

Total Garagekeepers Premium: \$274

Direct Coverage Option

Indicate below with an "X" if the Direct Coverage Option is selected.

☒ **Modified Direct Insurance**

If this box is checked, at the option of the named insured, Garagekeepers Coverage may be changed to apply without regard to your or any other "insured's" legal liability for "loss" to a "customer's auto" or, alternately, may apply on a legal liability basis.



Endorsement

Auto Dealers Physical Damage Schedule**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076**Agency Name and Address:**ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
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ITEM SIX: Physical Damage Coverage – Types Of Covered Autos And Interests In These Autos – Premiums – Reporting Or Nonreporting

Each of the following Physical Damage Coverages that is indicated in ITEM TWO applies only to the types of "autos" and interests indicated below by "X".

Coverages	Types Of Autos		Interests Covered			
	New Autos	Used Autos, Demonstrators And Service Vehicles	Your Interest In Covered Autos You Own	Your Interest Only In Financed Covered Autos	Your Interest And The Interest Of Any Creditor Named As A Loss Payee	All Interests In Any Auto Not Owned By You Or Any Creditor While In Your Possession On Consignment For Sale
Comprehensive	X	X				
Collision	X	X				

Loc	Coverages	Limit Of Insurance	Deductible	Premium
1	Comprehensive	\$150,000	\$500 For All Perils For Each Covered Auto \$2,500 Maximum Deductible For All Loss In Any One Event	\$1,043
2	Comprehensive	\$150,000	\$500 For All Perils For Each Covered Auto \$2,500 Maximum Deductible For All Loss In Any One Event	\$1,043
All	Blanket Collision	\$300,000	\$500 for each Covered Auto	\$616

Total Premium For All Locations: \$2,702

Premium Basis – Reporting (Quarterly or Monthly) or Nonreporting (Indicate Basis Agreed Upon By "X".)
☐ **Reporting Basis** (Quarterly or Monthly as indicated below by "X")



Endorsement

Auto Dealers Physical Damage Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

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You must report to us on our form the location of your covered "autos" and their total value at each such location. For your main sales location identified as location Number 1, you must include the total value of all covered "autos" you have furnished or made available to yourself, your executives, your "employees" or family members and other Class II – Nonemployees, and covered "autos" that are temporarily displayed or stored at locations other than those stated in ITEM THREE. For your main sales location you must include the total value of all service vehicles.

Your Reporting Basis Is:☐**Quarterly**

You must give us your first report by the 15th of the fourth month after the policy begins. Your subsequent reports must be given to us by the 15th of every third month. Your reports must contain the value for the last business day of every third month coming within the policy period.

☐**Monthly**

You must give us your reports by the 15th of every month. Your reports will contain the total values you had on the last business day of the preceding month.

Premiums will be calculated pro rata of the annual premium for the exposures contained in each report. At the end of each policy year, we will add the monthly premiums or the quarterly premiums to determine your final premium due for the entire policy year. The estimated total premiums shown above will be credited against the final premium due.

☒**Nonreporting Basis**

Stated limit of insurance above applies.



Endorsement

Auto Dealers Specified Car Schedule

Customer Number: 1000122645

Policy Number: B010120 05

Policy Period: 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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ITEM SEVEN: Schedule Of Covered Autos Which Are Furnished To Someone Other Than A Class I Or Class II Operator Or Are Insured On A Specified Car Basis

Veh No.	Description	Original Cost New	Stated Amount	Total Vehicle Premium
	Year, Make, Model, Vehicle Identification Number (VIN)			
4	2012 FORD F550 1FDUF5GT9CEA83704	\$52,707		\$1,285
5	2000 FORD F550 1FDAF56S7YEB05671	\$39,831		\$951

Veh No.	Classification				Territory	
	Radius Of Operation	Use	Size	Seating Capacity	Garaging Location	Class Code
4	Local	Service	Medium		Skokie, IL 60076-4042	7878
5	Local	Service	Medium		Skokie, IL 60076-4042	7878

Veh No.	Covered Autos Liability		Personal Injury Protection (See state specific PIP endorsement for limits)			
	CSL	Premium	Deductible	Premium	Michigan Only	
					Property Protection	Property Protection Deductible
4	\$1,000,000	\$1,066				
5	\$1,000,000	\$823				



Endorsement

Auto Dealers Specified Car Schedule

Customer Number: 1000122645

Policy Number: B010120 05

Policy Period: 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

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Veh No.	Auto Medical Payments		Medical Expense And/Or Income Loss Benefits (Virginia Only) Limit stated in the Medical Expense And Income Loss Endorsement	
	Limit	Premium	Medical Expense Premium	Income Loss Premium
4	\$5,000	\$16		
5	\$5,000	\$16		

Veh No.	Uninsured Motorist			Underinsured Motorist		Defensive Driver Credit	Dual Control	AntiTheft Discount
	CSL	PD Limit	Premium	CSL	Premium			
4	\$1,000,000		\$10	\$1,000,000	\$47			
5	\$1,000,000		\$10	\$1,000,000	\$47			

Veh No.	Comprehensive			Specified Causes of Loss		
	Deductible For Loss Caused By Theft Or Mischief Or Vandalism*	Deductible For All Perils*	Premium	Type	Deductible For All Perils*	Premium
4		\$1,000	\$52			
5		\$1,000	\$24			

* A maximum deductible may also apply. Refer to Coverage Form for details.

Veh No.	Collision			Towing And Labor		Audio/Visual/Data Electronic Equipment		Tapes
	Type (MI Only)	Deductible	Premium	Limit	Premium	Limit	Premium	Premium
4		\$1,000	\$94					
5		\$1,000	\$31					



Endorsement

Auto Dealers Hired or Borrowed Schedule**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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ITEM EIGHT: Schedule Of Hired Or Borrowed Covered Auto Coverage And Premiums

State	Covered Autos Liability Coverage – Cost Of Hire Rating Basis (Other Than Mobile Or Farm Equipment)		Auto Medical Payments Premium*	Uninsured Motorists Premium (IL & WI Only)	Underinsured Motorists Premium (IL & WI Only)
	Estimated Annual Cost Of Hire For Each State	Premium			
IL	If Any	\$28	\$0	\$1	\$3

Total Hired Auto Premium: \$32

* If the state is VA, Auto Medical Payments is replaced with Medical Expense Benefits (VA only) Premium.

Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.



Endorsement

Auto Dealers Endorsements and Miscellaneous Premiums**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

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Additional Insureds

Description	Form Number	Premium
Additional Insured - Not Otherwise Classified	WB1450CA	\$50

Endorsements

Description	Form Number	Premium
Optional Limits - Loss Of Use Expenses	CA9990	\$50
Broad Form Products and Work You Performed Coverage Endorsement	WB2002	\$250
EMPLOYMENT PRACTICES LIABILITY ENDORSEMENT	WB516CA	\$270
False Pretense Coverage	CA2503	\$52
Plus Pak – Liability	WB2000CA	\$50

Total Endorsement and Miscellaneous Premium: \$722



Endorsement

Auto Dealers Forms Schedule**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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Forms Schedule

Number	Edition	Description
CA2054	1120	EMPLOYEE HIRED AUTOS
CA2345	1120	PUBLIC OR LIVERY PASSENGER CONVEYANCE AND ON-DEMAND DELIVERY SERVICES EXCLUSION
WB2002	0118	BROAD FORM PRODUCTS AND WORK YOU PERFORMED COVERAGE ENDORSEMENT
WB2086	0118	PRIOR DAMAGE DISCLOSURE ERRORS AND OMISSIONS COVERAGE
WB2000CA	0820	PLUS PAK - LIABILITY
WB2583CA	0414	ADDITIONAL INTEREST NAME EXTENSION
WB1468CA	0118	EXCLUSION - ASBESTOS OR ASBESTOS PRODUCTS
WB1450CA	0118	ADDITIONAL INSURED - NOT OTHERWISE CLASSIFIED
WB516CA	0420	EMPLOYMENT PRACTICES LIABILITY ENDORSEMENT
CA2055Z	1013	FELLOW EMPLOYEE COVERAGE
CA2503	1013	FALSE PRETENSE COVERAGE
CA2524	1013	EXCLUSION - YEAR 2000 COMPUTER-RELATED AND OTHER ELECTRONIC PROBLEMS - WITH EXCEPTION FOR BODILY INJURY ON YOUR PREMISES
CA9903	1013	AUTO MEDICAL PAYMENTS COVERAGE
CA9990	1013	OPTIONAL LIMITS - LOSS OF USE EXPENSES
WB2752	0118	LOSS TO CUSTOMERS PERSONAL PROPERTY



Endorsement

Auto Dealers Forms Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
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Skokie, IL 60076

Agency Name and Address:

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Forms Schedule

Number	Edition	Description
CA0025	1120	AUTO DEALERS COVERAGE FORM
CA2705Z	1120	UNMANNED AIRCRAFT EXCLUSION FOR GENERAL LIABILITY
CA0270	0118	ILLINOIS CHANGES - CANCELLATION AND NONRENEWAL
WB372CA	1122	ILLINOIS EMPLOYMENT PRACTICES LIABILITY INSURANCE AMENDATORY ENDORSEMENT (CLAIMS-MADE)
CA0104	0115	ILLINOIS CHANGES - AUTO DEALERS COVERAGE FORM
CA2130	0115	ILLINOIS UNINSURED MOTORISTS COVERAGE
CA2138	1013	ILLINOIS UNDERINSURED MOTORISTS COVERAGE

COMMERCIAL AUTO
CA 20 54 11 20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYEE HIRED AUTOS

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Covered Autos Liability Coverage

The following is added to the **Who Is An Insured** provision:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

For Hired Auto Physical Damage Coverage, any covered "auto" hired or rented by your "employee" under a contract in an "employee's" name, with your permission, while performing duties related to the conduct of your business is deemed to be a covered "auto" you own.

B. Changes In General Conditions

Paragraph **5.b.** of the **Other Insurance** Condition in the Business Auto and Auto Dealers Coverage Forms and Paragraph **5.f.** of the **Other Insurance – Primary And Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form are amended by the addition of the following:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PUBLIC OR LIVERY PASSENGER CONVEYANCE AND ON-DEMAND DELIVERY SERVICES EXCLUSION

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Covered Autos Liability Coverage

The following exclusion is added:

Public Or Livery Passenger Conveyance And On-demand Delivery Services

This insurance does not apply to any covered "auto" while being used:

1. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
2. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

B. Changes In Physical Damage Coverage

The following exclusion is added:

We will not pay for "loss" to any covered "autos" while being used:

1. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or

2. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

C. Changes In Auto Medical Payments

If Auto Medical Payments Coverage is attached, then the following exclusion is added:

Public Or Livery Passenger Conveyance And On-demand Delivery Services

This insurance does not apply to:

"Bodily injury" sustained by an "insured" "occupying" a covered "auto" while it is being used:

1. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
2. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

D. Changes In Uninsured And/Or Underinsured Motorists Coverage

1. If Uninsured and/or Underinsured Motorists Coverage is attached, and:
 - a. Contains, in whole or in part, a public or livery exclusion, then the following exclusion in Paragraph 2. does not apply.
 - b. Does not contain a public or livery exclusion, then the following exclusion in Paragraph 2. is added.

2. Public Or Livery Passenger Conveyance And On-demand Delivery Services

This insurance does not apply to any covered "auto" while being used:

- a. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
- b. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

E. Changes In Personal Injury Protection Coverage

1. If Personal Injury Protection, no-fault or other similar coverage is attached, and:
 - a. Contains, in whole or in part, a public or livery exclusion, then the following exclusion in Paragraph 2. does not apply.
 - b. Does not contain a public or livery exclusion, then the following exclusion in Paragraph 2. is added.

2. Public Or Livery Passenger Conveyance And On-demand Delivery Services

This insurance does not apply to any covered "auto" while being used:

- a. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
- b. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

F. Additional Definitions

As used in this endorsement:

1. "Delivery network platform" means an online-enabled application or digital network, used to connect customers:
 - a. With drivers; or
 - b. With local vendors using drivers;
 for the purpose of providing prearranged "delivery services" for compensation. A "delivery network platform" does not include a "transportation network platform".
2. "Delivery services" includes courier services.
3. "Occupying" means in, upon, getting in, on, out or off.
4. "Transportation network platform" means an online-enabled application or digital network used to connect passengers with drivers using vehicles for the purpose of providing prearranged transportation services for compensation.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BROAD FORM PRODUCTS AND WORK YOU PERFORMED COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Paragraph A. Bodily Injury And Property Damage Liability of Section II – General Liability Coverages is changed as follows:

Exclusions **2.h. Defective Products** and **2.i. Work You Performed** do not apply. However, subject to the General Liability Bodily Injury And Property Damage Liability Each "Accident" Limit, the coverage only applies to that amount of "property damage" to your "products" or "work you performed" that exceeds \$500 for any one "accident".

B. Paragraph E. Garagekeepers Coverage of Section I – Covered Autos Coverages is changed as follows:

Exclusions **4.a.(3) Defective Parts** and **4.a.(4) Faulty Work** do not apply. However, subject to the applicable Garagekeepers Coverage Limit, this coverage only applies to that amount of "loss" to your "parts" or "work you performed" that exceeds the applicable Garagekeepers deductible or \$500 for any one "loss", whichever is larger.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PRIOR DAMAGE DISCLOSURE
ERRORS AND OMISSIONS COVERAGE**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

Paragraph **B.** of **Section V – Definitions** is amended by the addition of the following:

Out of the insured's failure to comply with any local, state or federal law or regulation concerning the disclosure of prior damage to consumers in connection with the sale of an "auto" in your "auto dealer operations".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PLUS PAK – LIABILITY

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

- A.** The following exception is added to Exclusion **d.** under Paragraphs **4. Exclusions** of **Section I – D. Covered Autos Liability Coverage** and **2. Exclusions** of **Section II – Coverage A – Bodily Injury And Property Damage Liability**:

Stop Gap Liability

This exclusion does not apply to "bodily injury" to an "employee" of the insured arising out of and in the course of employment by the insured, provided such "employee" is reported and declared under the Workers' Compensation Fund of the State(s) of North Dakota, Ohio, Washington, or Wyoming, whichever is applicable as respects such injured "employee".

The insurance provided by this coverage extension does not apply to:

- 1.** Punitive or exemplary damage because of "bodily injury" to an "employee" employed in violation of law;
- 2.** "Bodily injury" to an "employee" while employed in violation of law with your actual knowledge or the actual knowledge of any of your executive officers;
- 3.** Damages arising out of the discharge of, coercion of, or discrimination against any "employee" in violation of law.

- B. Supplementary Payments** Paragraphs **(4)** of **Section I – D.3. Coverage Extensions** and **E.3.** of **Section II – General Liability Coverages** are replaced by:

All reasonable expenses incurred by the "insured", at our request, including actual loss of earnings, up to \$300 a day, because of time off from work.

- C.** Paragraph **6.a.** of **Section II – D. Who Is An Insured** is replaced by:

- a.** Coverage under this provision is afforded only until the 180th day after you acquire or form the "auto" dealership or the end of the policy period, whichever is earlier and;

ADDITIONAL INTEREST NAME EXTENSION

An Additional Interest that requires additional space to display the complete name is shown in the schedule of this endorsement.

SCHEDULE

Form Applicable to Additional Interest:

WB1450CA Additional Insured - Not Otherwise Classified

Additional Interest Name:

City of Chicago Department of Transpiration - Driveway Permits

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ASBESTOS OR ASBESTOS PRODUCTS

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

This insurance does not apply to:

“Bodily injury” or “property damage” arising out of the removal, manufacture, distribution, sale, installation, handling or disposal of asbestos or any product containing asbestos material.

POLICY NUMBER: B010120

COMMERCIAL AUTO
WB 1450 CA 01 18**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED – NOT OTHERWISE CLASSIFIED**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM**SCHEDULE**

Name of Person or Organization (Additional Insured):
City of Chicago Department of Transpiration - Driveway Permits 121 N LaSalle St Room 905 Chicago, IL 60602
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Who Is An Insured is amended to include as an insured the person or organization shown in the Schedule as an additional insured, but only with respect to liability incurred solely as a result of some act or omission of the named insured.

It is further understood and agreed that the designation of the entity named as an additional insured does not increase or alter the limit of liability, nor the scope of coverage of this policy.

The coverage granted to the additional insured under this endorsement shall be excess over any other valid and collectible insurance, whether contingent, excess or primary.

This endorsement provides no coverage to the additional insured for its liability arising out of the claimed negligence, statutory liability or fault of the additional insured.

As a condition of coverage, the additional insured shall be obligated to tender the defense and indemnity of every claim or suit to all other insurers that may provide coverage to the additional insured, whether on a contingent, excess or primary basis.

POLICY NUMBER: B010120

COMMERCIAL AUTO
WB 516 CA 04 20**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EMPLOYMENT PRACTICES LIABILITY ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTO COVERAGE PART

THIS ENDORSEMENT PROVIDES CLAIMS MADE AND REPORTED COVERAGE. DEFENSE COSTS APPLY AGAINST THE LIMITS OF INSURANCE AND ARE SUBJECT TO THE DEDUCTIBLE.**PLEASE READ THE ENTIRE FORM CAREFULLY.****SCHEDULE**

LIMITS OF LIABILITY		DEDUCTIBLE	COINSURANCE FOR PAYMENT OF "DAMAGES"
Each Related Wrongful Employment Practice	Total Aggregate Limit	Each Related Wrongful Employment Practice	Does Not Apply
100,000	100,000	5,000	
RETROACTIVE DATE			
This insurance does not apply to a "Wrongful Employment Practice" that happens before the Retroactive Date shown here:			12/01/2017
Information required to complete this schedule, if not shown above, will be shown in the Declarations.			

THERE IS A SEPARATE DEDUCTIBLE PROVISION APPLICABLE TO ALL PAYMENTS FOR "DAMAGES".

PLEASE READ THIS ENDORSEMENT CAREFULLY TO DETERMINE RIGHTS, DUTIES, COVERAGE AND COVERAGE RESTRICTIONS.

WE HAVE NO DUTY TO PROVIDE COVERAGE UNLESS THERE HAS BEEN FULL COMPLIANCE WITH ALL THE CONDITIONS (SECTION VI) OF THIS ENDORSEMENT.

Throughout this endorsement the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this endorsement. The words "we", "us" and "our" refer to the Company providing this insurance. The word "insured" means any person or organization qualifying as such under WHO IS AN INSURED (Section II) of this endorsement.

All words and phrases that appear in quotation marks have special meaning. Refer to DEFINITIONS (Section VIII).

SECTION I - COVERAGE: EMPLOYMENT PRACTICES LIABILITY

In consideration of the payment of premium and in reliance upon representations you made to us in applying for this insurance and subject to the Limits of Insurance shown in the Schedule, and all the exclusions, terms and conditions of this endorsement, we agree with you as follows:

A. INSURING AGREEMENT

1. We will pay on behalf of the insured for "damages" in excess of the Deductible arising out of any "employment practices" to which this insurance applies.
We have no obligation under this insurance to make payments or perform acts or services except as provided for in this paragraph and in Item 2. below.
2. This insurance applies to such "damages" only if:
 - a. The "damages" result from "claims" made by "employees", "leased workers", "temporary workers", former "employees" or applicants for employment with you;

- b. The "employment practices" take place in the "coverage territory";
- c. Such "employment practices" occurred after the Retroactive Date shown in the Schedule and before the end of the policy period; and
- d. A "claim" is both:
 - (i) First made against any insured, in accordance with paragraph 3. below, during the policy period or any Extended Reporting Period we provide under Section VII - EXTENDED REPORTING PERIODS; and
 - (ii) Reported to us either (i) during the policy period or within thirty (30) days thereafter, or (ii) with respect to any "claim" first made during any Extended Reporting Period we provide under Section VII - EXTENDED REPORTING PERIODS, during such Extended Reporting Period.

3. A "claim" will be deemed to have been made at the earlier of the following times:

- a. When notice of such "claim" is received and recorded by you or by us, whichever comes first; or
- b. When we make settlement in accordance with paragraph B.1. below.

4. All "claims" for "damages" based on or arising out of:

- a. One "employment practice"; or
- b. An interrelated series of "employment practices"

by one or more insureds shall be deemed to be one "claim" and to have been made at the time the first of those "claims" is made against any insured(s).

Each payment we make for "damages" or "defense expense" reduces the Amount of Insurance available, as provided under SECTION III - LIMITS OF INSURANCE of this endorsement.

B. DEFENSE OF CLAIMS. ADMINISTRATIVE HEARINGS & SETTLEMENT AUTHORITY

1. We have the right and duty to defend "claims" against the insured seeking "damages" to which this insurance applies and to pay for related "defense expense". However, we have no duty to (i) defend "claims" against the insured seeking "damages" or (ii) pay for related "defense expense" when this insurance does not apply. We may:

- a. At our sole discretion, investigate any "employment practice" that may result in "damages"; and

b. Settle any "claim" which may result, provided:

- (i) We have your written consent to settle; and
- (ii) The settlement is within the applicable Limit of Insurance available.

Our liability will be limited as described below if:

- (i) you refuse to consent to any settlement we recommend, and
- (ii) such recommended settlement is also acceptable to the claimant.

When this happens, our liability under this endorsement for such "claim" shall not exceed the amount we would have paid for "damages" and "defense expense" if you had consented at the time of our recommendation. You shall thereafter negotiate and defend that "claim" at your own cost and without our involvement.

2. Our right and duty to defend such "claims" end when we have used up the Limit of Insurance available, as provided under SECTION III - LIMITS OF INSURANCE of this endorsement. This applies both to "claims" pending at that time and those filed thereafter.

3. When we control defense of a "claim", we will pay associated "defense expense" and choose a counsel of our choice from the panel of attorneys we have selected to deal with "employment practices" "claims". If you give us a specific written request at the time a "claim" is first made:

- a. You may select one of our panel of employment law attorneys; or
- b. You may ask us to consider the approval of a defense attorney of your choice that is not on our panel.

4. We will use the panel attorney you selected in (a.) above, or consider your request in (b.) above, when we deem it appropriate to engage counsel for such "claim".

5. If by mutual agreement or court order the insured assumes control of such defense before the applicable Limit of Insurance is used up, we will reimburse the insured for reasonable "defense expense", subject to item 6. immediately below.

6. If we defend you under a reservation of rights, both your and our counsel(s) will be required to maintain records pertinent to your "defense expenses". These records will be used to determine the allocation of any "defense expenses" for which you may be solely responsible, including defense of an allegation not covered by this insurance.

In any case, however, we only pay amounts in excess of the Deductible and such payments will reduce the Limit of Insurance available, as provided under SECTION III - LIMITS OF INSURANCE in this endorsement.

7. Upon prior notice to us and our approval, the first Named Insured is authorized to act on behalf of all insureds with respect to the payment of "damages" in settlement of any Administrative Hearing or other non-judicial proceeding before the Federal Equal Employment Opportunity Commission, or any similar Federal, state or local body or commission. This authorization is limited to (i) "damages" covered by this endorsement, (ii) "defense expenses" under part 4. of the Definition of "defense expenses" and (iii) amounts not in excess of two times the amount of the Deductible stated in the Schedule.

C. EXCLUSIONS

This insurance does not apply to "claims" arising directly or indirectly from any:

1. a. "Employment practices" which were the subject of any demand, suit or other proceeding which was initiated against any insured; or
 - b. Facts and circumstances, which would cause a reasonable person to believe a "claim" would be made and which were known to any insured,

prior to the effective date of the earlier of (i) the first endorsement of this type that we issued to you of which this endorsement was an uninterrupted renewal of this type of coverage, or (ii) this endorsement.
2. Breach of any express contract of employment or any express obligation to make payments in the event of termination of employment.
3. Obligation to pay "damages" by reason of the assumption of liability in any contract or agreement. This exclusion does not apply to liability for "damages" that the insured would have in the absence of the contract or agreement.

4. Of the following laws:

- a. Any workers compensation, disability benefits or unemployment compensation law, or any similar law, provided however, this exclusion shall not apply to any "claim" based upon, arising from, or in consequence of any actual or alleged retaliatory treatment of the claimant by the Insured on account of the claimant's exercise of rights pursuant to any such law;
- b. Employees' Retirement Income Security Act of 1974, Public Law 93-406, (E.R.I.S.A.) as now or hereafter amended, or any similar state or other governmental law. This includes fiduciary liability, liability arising out of the administration of any employee benefit plan and any other liability under any such laws;
- c. The Fair Labor Standards Act, the National Labor Relations Act of 1938, the Worker Adjustment and Retraining Notification Act (Public Law 100-37991988), the Consolidated Omnibus Budget Reconciliation Act of 1985, or the Occupational Safety and Health Act. This exclusion also applies to any rules or regulations promulgated under any of the foregoing and amendments thereto or any similar provisions of any federal, state or local law, and to that part of any "damages" awarded for the cost or replacement of any insurance benefits due or alleged to be due to any current or former "employee".

5. Oral or written publication of material, if such material:

- a. Was published by or at the direction of the insured with knowledge of the material's falsity; or
- b. Was first published before the Retroactive Date shown in the Schedule.

6. Dishonest, criminal or fraudulent acts of the insured or the willful failure by the insured or with the insured's consent to comply with any law or any governmental or administrative order or regulation relating to employment practices. Willful means acting with intentional or reckless disregard for such employment related laws, orders or regulations.

The enforcement of this exclusion against any insured under this endorsement shall not be imputed to any other insured.

7. "Bodily injury".

8. "Employment practices" which occur when or after:
 - a. You file for or are placed in any bankruptcy, receivership, liquidation or reorganization proceeding; or
 - b. Any other business entity acquires an ownership interest in you, which is greater than fifty percent.
9. Costs of complying with physical modifications to your premises or any changes to your usual business operations as mandated by the Americans with Disabilities Act of 1990 including any amendment thereto, or any similar federal, state or local law.
10. Lockout, strike, picket line, related worker replacement(s) or other similar actions resulting from labor disputes or labor negotiations.

SECTION II - WHO IS AN INSURED

- A. If you are designated in the Declarations as:
 1. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 2. A partnership or joint venture, you are an insured. Your current or former members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 3. A limited liability company, you are an insured. Your current or former members are also insureds, but only with respect to the conduct of your business. Your current or former managers are insureds, but only with respect to their duties as your managers.
 4. An organization other than a partnership or joint venture, you are an insured. Your current or former directors are insureds, but only with respect to their duties as your directors.
- B. Each of the following is also an insured:
 1. Your current or former "employees" but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.
 2. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this endorsement.
- C. Any heirs, executors, administrators, assignees or legal representatives of any individual insured above, in the event of the death, bankruptcy or incapacity of such insured, but only to the extent this insurance would have been available to such insured.

- D. Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 1. You must provide us notice of such acquisition or formation within 30 days of the effective date of your acquisition or formation;
 2. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 3. Coverage does not apply to any "employment practices" that occurred before you acquired or formed the organization; and
 4. You must pay us any additional premium due as a condition precedent to the enforceability of this additional extension of coverage.

This part D. does not apply to any organization after it is shown in the Declarations or added to this policy by endorsement.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III - LIMITS OF INSURANCE

- A. The Amount of Insurance stated as Total Aggregate Limit is the most we will pay for the sum of:
 1. All "damages" for all "claims" arising out of any actual or alleged "employment practices" covered by this insurance; and
 2. All "defense expense" for all "claims" seeking "damages" payable under paragraph 1. above.

Each payment we make for such "damages" or "defense expenses" reduces the Total Aggregate Limit by the amount of the payment. This reduced limit will then be the Amount of Insurance available for further "damages" and "defense expenses" under this endorsement.
- B. Subject to A. above, the Amount of Insurance stated as the Each "Claim" Limit of Insurance is the most we will pay in excess of the Deductible as further described in SECTION IV - DEDUCTIBLE of this endorsement for the sum of:
 1. All "damages" for injury arising from "employment practices" covered by this insurance arising out of one "claim" whether such "claim" is brought by one or more claimants: and

2. All "defense expense" associated with that specific "claim" in item B.1. immediately preceding.
- C. In addition to the payments for "damages" and "defense expense" in paragraphs A. and B. above, we will also pay all interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the amount available for the judgment under the provisions of paragraphs A. and B. above. These interest payments will not reduce the Limits of Insurance.

The Limits of Insurance of this endorsement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - DEDUCTIBLE

- A. A deductible applies to all "damages" for injury arising from "employment practices" and any "defense expense" however caused.
- B. Our obligation under this Employment Practices Liability to pay "damages" and "defense expense" on behalf of any insured applies only to the sum of the amount of "damages" and "defense expense" each "claim" which are in excess of the deductible amount stated in the Schedule.
- C. Your obligation is to pay that deductible which is applicable to each "claim" made against this insurance. That deductible applies to the sum of all "damages" because of injury arising from "employment practices" paid for each "claim" and applicable "defense expense" associated therewith. If there should be no "damages" paid for a "claim", you are still obligated to pay the applicable deductible for any "defense expense" incurred by us in connection with that "claim".
- D. The terms of this insurance apply irrespective of the application of the deductible, including those with respect to:
1. Our right and duty to defend any "claims" seeking those "damages"; and
 2. Your duties in the event of a "claim".
- E. We may, but are not required to, pay any part or all of the deductible to effect settlement of any "claim" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible as we may have paid for "damages" or "defense expense".

- F. The application of the deductible does not erode the Limits of Insurance provided.

SECTION V – COINSURANCE FOR PAYMENT OF "DAMAGES"

- A. With respect to any "claim" for which we pay "damages" under this insurance, you will be responsible for your share of such "damages", in excess of the applicable deductible, at the percentage shown in the Schedule as coinsurance participation. We will be responsible for the remaining percentage of "damages" payable under this endorsement subject to the applicable Limits of Insurance.
- B. Your coinsurance participation is limited as shown in the Schedule to a maximum amount per "claim".
- C. Subject to the provisions of this section we may make payments for "damages" and then request you to pay us your percentage share. You agree to reimburse us for your share. By making such payments for "damages", we do not waive our right to recover your share of such payment(s).
- D. The application of this coinsurance provision does not erode the Limits of Insurance provided.

SECTION VI - CONDITIONS

A. Bankruptcy

Subject to the exclusion in Section I, item C.8., the bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this endorsement.

B. Changes

This policy contains all agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Duties in Event of "Employment Practices" or "Claims"

1. You must see to it that we are notified as soon as practicable of any specific "employment practices" which you believe may result in an actual "claim". Your belief must be reasonably certain as the result of specific allegations made by a potential claimant or such potential claimant's representative, or as the result of specifically identifiable injury sustained by a potential claimant. To the extent possible, notice should include:
 - a. How, when and where such "employment practices" took place;
 - b. The names and addresses of any potential claimants and witnesses; and

- c. The nature of any injury arising out of such "employment practices".

Notice of such "employment practices" is not notice of a "claim", but preserves any insured's rights to future coverage for subsequent "claims" arising out of such "employment practices" as described in the Basic Extended Reporting Period of Section VII - EXTENDED REPORTING PERIODS.

2. If a "claim" is received by any insured:
 - a. You must immediately record the specifics of the "claim" and the date received;
 - b. You and any other involved insured must see to it that we receive written notice of the "claim", as soon as practicable, but in any event we must receive notice either:
 - (i) During the policy period or within 30 days thereafter; or
 - (ii) With respect to any "claim" first made during any Extended Reporting Period we provide under Section VII - EXTENDED REPORTING PERIODS, during such Extended Reporting Period, as a condition precedent for coverage under this insurance. Such notice must provide us with the same information as is required in item (a.) immediately preceding; and
 - c. You and any other involved insured must:
 - (i) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim";
 - (ii) Authorize us to obtain records and other information;
 - (iii) Cooperate with us in the investigation, settlement or defense of the "claim"; and
 - (iv) Assist us, upon our request, in the enforcement of any right against any person or organization, which may be liable to the insured because of injury or damage to which this insurance may also apply.
3. No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent, other than those specific payments authorized under Section I, item B.7. - DEFENSE OF CLAIMS, ADMINISTRATIVE HEARINGS & SETTLEMENT AUTHORITY, in this endorsement.

D Examination of Your Books and Records

We may examine and audit your books and records as they relate to this endorsement at any time during the endorsement period and up to three years afterward.

E. Inspections and Surveys

We have the right but are not obligated to:

1. Make inspections and surveys at any time;
2. Give you reports on the employment conditions we find; and
3. Recommend procedures, guidelines and changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not undertake to perform the duty of any person or organization to provide for the health or safety of, or lawful practices with your workers or the public. We do not warrant that conditions:

- a. Are safe or healthful; or
- b. Comply with laws, regulations, codes or standards as they relate to the purpose of this or any other insurance.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization, which makes insurance inspections, surveys, reports or recommendations on our behalf.

F. Legal Action Against Us

No person or organization has a right under this endorsement:

1. To join us as a party or otherwise bring us into a "claim" seeking "damages" from any insured; or
2. To sue us on this coverage part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; but we will not be liable for "damages" that are not payable under the terms of this endorsement or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

G. Other Insurance

If other valid and collectible insurance is available to the insured for "damages" or "defense expense" we cover under this endorsement, our obligations are limited as follows:

1. As this insurance is the primary insurance, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in 2. below.
2. If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

H. Payment of Premiums, Deductibles and Coinsurance Amounts

1. We will compute all premiums for this insurance in accordance with our rules and rates; and
2. The first Named Insured shown in the Declarations is responsible for the payment of all premiums, deductibles and coinsurance payments due and will be the payee for any return premiums we pay.

I. Representations

By accepting this policy, you agree:

1. The statements in the Declarations are accurate and complete;
2. Those statements are based upon representations you made to us in your application for this insurance; and
3. Since we have issued this policy in reliance upon your representations, this policy is voidable if any material fact or circumstance relating to the subject of this insurance is omitted or misrepresented in your application.

J. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this endorsement to the first Named Insured, this insurance applies:

1. As if each Named Insured were the only Named Insured; and
2. Separately to each insured against whom "claim" is made.

K. Sole Agent

The first Named Insured is authorized to act on behalf of all insureds as respects the giving or receiving of notice of cancellation or nonrenewal, receiving premium refunds, requesting any Supplemental Extended Reporting Period and agreeing to any changes in this policy.

L. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this endorsement, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will sue those responsible or transfer those rights to us and help us enforce them.

M. Transfer of Your Rights and Duties Under This Policy

Your rights and duties under this endorsement may not be transferred without our written consent.

SECTION VII - EXTENDED REPORTING PERIODS

A. We will provide Extended Reporting Periods, as described below, if:

1. This endorsement is cancelled or not renewed; or
2. We renew or replace this endorsement with insurance that:
 - a. Has a Retroactive Date later than the date shown in the Schedule of this endorsement; or
 - b. Does not apply on a claims-made basis.

B. Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. They apply only to "claims" as the result of "employment practices" which occurred after the Retroactive Date shown in the Schedule and before the end of the policy period. Once in effect, Extended Reporting Periods may not be cancelled.

C. Extended Reporting Periods do not reinstate or increase the Limits of Insurance.

D. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for:

1. Five years with respect to "claims" arising out of "employment practices" which had been properly reported to us during the policy period in accordance with paragraph C.1. of Duties in the Event of "Employment Practices" or "Claims", in CONDITIONS (Section VI) of this endorsement; and

2. Thirty (30) days with respect to "claims" arising from "employment practices" not previously reported to us.

The Basic Extended Reporting Period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such claims.

- E. A Supplemental Extended Reporting Period of either twelve (12) months or thirty-six (36) months duration is available, but only by an endorsement and for an extra charge. This supplemental period starts when the Basic Extended Reporting Period, set forth in paragraph D.2. above, ends. You must give us a written request for the endorsement, and its length, within 30 days after the end of the policy period. The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium when due. We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

1. The exposures insured;
2. Previous types and amounts of insurance;
3. Limits of Insurance available under this endorsement for future payment of "damages" or "defense expense"; and
4. Other related factors.

The additional premium will not exceed 200% of the annual premium for this endorsement.

- F. The Supplemental Extended Reporting Period Endorsement we issue shall set forth the terms, not inconsistent with this Section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period begins.

SECTION VIII - DEFINITIONS

- A. **"Bodily injury"** means physical injury to the body, sickness or disease sustained by a person as the result of direct physical injury to the body, including death resulting from any of these at any time. "Bodily injury" does not include mental anguish or emotional distress that results from an "employment practice".
- B. **"Claim"** means written or oral notice presented by:
1. Any "employee", "leased worker", "temporary worker", former "employee" or applicant for employment by you; or

2. The EEOC or any other Federal, state or local administrative or regulatory agency on behalf of such person in item 1. immediately preceding, that the insured is responsible for "damages" as a result of injury arising out of any "employment practices".

"Claim" includes any civil proceeding in which either "damages" are alleged or fact finding will take place, when either is the actual or alleged result of any "employment practice" to which this insurance applies. This includes:

- a. An arbitration proceeding in which such "damages" are claimed and to which the insured submits with our consent;
- b. Any other alternative dispute resolution proceeding in which such "damages" are claimed and to which the insured submits with our consent; or
- c. Any administrative proceedings established under applicable federal, state or local laws as may be applicable to "employment practices" covered under this insurance.

C. **"Coverage territory"** means:

1. The United States of America (including its territories and possessions) and Puerto Rico; or
2. Anywhere in the world with respect to the activities of a person whose place of employment is in the territory described in 1. above, while he or she is away for a short time on your business;

provided that the insured's responsibility to pay "damages" is determined in a suit (or in any other type of civil proceeding as described under the definition of "claim") on the merits in, and under the substantive law of, the United States of America (including its territories and possessions) or Puerto Rico.

- D. **"Damages"** means monetary amounts to which this insurance applies and which the insured is legally obligated to pay as judgments or awards, or as settlements to which we have agreed in writing. "Damages" include (i) "pre-judgment interest" awarded against the insured on that part of the judgment we pay, (ii) to the extent allowed by law, any portion of a judgment or award that represents a multiple of the compensatory amounts or punitive or exemplary damages, and (iii) statutory attorney fees.

"Damages" do not include:

1. Civil, criminal, administrative or other fines or penalties;

2. Equitable relief, injunctive relief, declarative relief or any other relief or recovery other than monetary amounts; or
 3. Judgments or awards because of acts deemed uninsurable by law.
- E. "Defense expense"** means payments allocated to a specific "claim" for its investigation, settlement, or defense, including:
1. Attorney fees and all other litigation expenses.
 2. The cost of bonds to appeal a judgment or award in any "claim" we defend. We do not have to furnish these bonds.
 3. The cost of bonds to release attachments, but only for bond amounts within the Amount of Insurance available. We do not have to furnish these bonds.
 4. Reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of any "claim", including actual loss of earnings up to \$250 a day because of time off from work.
 5. Costs taxed against the insured in the "claim".
- "Defense expense" does not include:
- a. Salaries and expenses of our employees or your "employees", other than:
 - (i) That portion of our employed attorneys' fees, salaries and expenses allocated to a specific claim" for the defense of the insured; and
 - (ii) The expenses described in 4. above;
 - b. Interest on the full amount of any judgement that accrues after entry of the judgement and before we have paid, offered to pay, or deposited in court the amount available for the judgement under the provisions of SECTION III – LIMITS OF INSURANCE.
- F. "Employee"** means a person (i) employed by you for wages or salary, or (ii) who is a current or former member of your board of directors. But "employee" does not include any independent contractor, any employees of any independent contractor while acting within the scope of their employment, any "leased worker" or any "temporary worker".

- G. "Employment Practices"** means any of the following actual or alleged practices (i) which are directed against any of your "employees", "leased workers", "temporary workers", former "employees" or any applicant for employment by you, and (ii) for which remedy is sought under any federal, state or local statutory or common civil employment law:
1. Wrongful refusal to employ a qualified applicant for employment;
 2. Wrongful failure to promote, or wrongful deprivation of career opportunity;
 3. Wrongful demotion, negligent evaluation, negligent reassignment or wrongful discipline;
 4. Wrongful termination of employment, including retaliatory or constructive discharge;
 5. Employment related misrepresentation;
 6. Harassment, coercion, discrimination or humiliation as a consequence of race, color, creed, national origin, marital status, medical condition, gender, age, physical appearance, physical and/or mental impairments, pregnancy, sexual orientation or sexual preference or any other protected class or characteristic established by any applicable federal, state, or local statute; or
 7. Oral or written publication of material that slanders, defames, libels, violates, or invades a right of privacy.
- H. "Leased worker"** means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- I. "Pre-judgment interest"** means interest added to a settlement, verdict, award or judgment based on the amount of time prior to the settlement, verdict, award or judgment, whether or not made part of the settlement, verdict, award or judgment.
- J. "Temporary worker"** means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

COMMERCIAL AUTO
CA 20 55 Z 10 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FELLOW EMPLOYEE COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

The **Fellow Employee** Exclusion contained under the **Covered Autos Liability Coverage** does not apply to claims for "bodily injury" resulting from the use of a covered "auto" where the fellow "employee" is not immune from "suit" or civil liability for "bodily injury" by reason of Workers Compensation laws or other similar laws.

Coverage is excess over any other collectible insurance.

POLICY NUMBER: B010120

COMMERCIAL AUTO
CA 25 03 10 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****FALSE PRETENSE COVERAGE**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: Siglers Automotive and Body Shop, Inc**Endorsement Effective Date:** 12-01-2022**SCHEDULE**

Limit Of Insurance – \$25,000 unless another limit is shown below or in the Declarations		
\$ 25,000	Limit Of Insurance	
Named Location Number From Item Three Of The Declarations	Total Inventory Value For Each Named Location	Premium
2	\$ 150,000	\$ 26
1	\$ 150,000	\$ 26
	\$	\$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

Paragraph **F. Physical Damage Coverage** of **Section I – Covered Autos Coverages** is changed as follows:**A.** The following is added:

1. Any "auto" you have acquired is a covered "auto" under False Pretense Coverage.
2. We will pay for "loss" to a covered "auto" under False Pretense Coverage caused by:
 - a. Someone causing you to voluntarily part with the covered "auto" by trick or scheme or under false pretenses.
 - b. Your acquiring an "auto" from a seller who did not have legal title.

B. Paragraph **3. Exclusions** is changed as follows:

1. The **False Pretense** Exclusion does not apply.
2. The following exclusions are added:
 - a. The insurance under Paragraph **A.2.a.** of this endorsement does not apply unless:
 - (1) You had legal title to, or consignment papers for, the covered "auto" prior to "loss"; and
 - (2) You make every effort to recover the covered "auto" when it is located.
 - b. False Pretense Coverage does not apply to a loss which, for any reason, a bank or any other drawee fails to pay.

- C. Paragraph **4. Limits Of Insurance** is changed by adding the following:

Under False Pretense Coverage, the Limit Of Insurance shown in the Schedule is the most we will pay for all "loss" caused by any one person within any one year of the policy period.

- D. Paragraph **5. Deductible** is changed by adding the following:

From our obligation under False Pretense Coverage, we will deduct the actual value of any property delivered to you in full or partial payment for title to or possession of a covered "auto".

- E. The following is added to the **Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions** Condition:

You, or someone on your behalf, must take all reasonable steps to cause a warrant to be issued, as soon as practicable, for the arrest of anyone causing a "loss" defined within the False Pretense Coverage. Failure to cause such warrant to be issued as required by this condition shall not invalidate any claim made by you, if it is shown that reasonable efforts were made.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – YEAR 2000 COMPUTER-RELATED AND OTHER ELECTRONIC PROBLEMS – WITH EXCEPTION FOR BODILY INJURY ON YOUR PREMISES

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

Section II – General Liability Coverages is changed as follows:

A. The following exclusion is added to Paragraph 2. Exclusions of Paragraph A. Bodily Injury And Property Damage Liability:

This insurance does not apply to "bodily injury" or "property damage" arising directly or indirectly out of:

1. Any actual or alleged failure, malfunction or inadequacy of:
 - a. Any of the following, whether belonging to any "insured" or to others:
 - (1) Computer hardware, including microprocessors;
 - (2) Computer application software;
 - (3) Computer operating systems and related software;
 - (4) Computer networks;
 - (5) Microprocessors (computer chips) not part of any computer system; or
 - (6) Any other computerized or electronic equipment or components; or
 - b. Any other products and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph A.1.a. of this endorsement;
- due to the inability to correctly recognize, process, distinguish, interpret or accept the year 2000 and beyond.

2. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for any potential or actual problems described in Paragraph A.1. of this endorsement.

This exclusion does not apply to "bodily injury" occurring on any premises owned by or rented to you.

B. The following exclusion is added to Paragraph 2. Exclusions of Paragraph B. Personal And Advertising Injury Liability:

This insurance does not apply to "personal and advertising injury" arising directly or indirectly out of:

1. Any actual or alleged failure, malfunction or inadequacy of:
 - a. Any of the following, whether belonging to any "insured" or to others:
 - (1) Computer hardware, including microprocessors;
 - (2) Computer application software;
 - (3) Computer operating systems and related software;
 - (4) Computer networks;
 - (5) Microprocessors (computer chips) not part of any computer system; or
 - (6) Any other computerized or electronic equipment or components; or

- b.** Any other products and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **B.1.a.** of this endorsement;

due to the inability to correctly recognize, process, distinguish, interpret or accept the year 2000 and beyond.

- 2.** Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for any potential or actual problems described in Paragraph **B.1.** of this endorsement.

This exclusion does not apply to "bodily injury" occurring on any premises owned by or rented to you.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**AUTO MEDICAL PAYMENTS COVERAGE**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
 BUSINESS AUTO COVERAGE FORM
 MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred, for services rendered within three years from the date of the "accident".

B. Who Is An Insured

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

C. Exclusions

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.

3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member".
4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily Injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

D. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit Of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

E. Changes In Conditions

The **Conditions** are changed for **Auto Medical Payments Coverage** as follows:

1. The **Transfer Of Rights Of Recovery Against Others To Us** Condition does not apply.
2. The reference in **Other Insurance** in the Auto Dealers and Business Auto Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form to "other collectible insurance" applies only to other collectible auto medical payments insurance.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.

POLICY NUMBER: B010120

COMMERCIAL AUTO
CA 99 90 10 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****OPTIONAL LIMITS – LOSS OF USE EXPENSES**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
 BUSINESS AUTO COVERAGE FORM
 MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: Siglers Automotive and Body Shop, Inc**Endorsement Effective Date:** 12-01-2022**SCHEDULE**

Amount Per Day	Maximum	Premium
\$ 50	\$ 1,500	\$ 50
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

Physical Damage Coverage is amended as follows:

The **Coverage Extension** for **Loss Of Use Expenses** in Paragraph **A.4.b.** in the Business Auto and Motor Carrier Coverage Forms and Paragraph **F.2.** in the Auto Dealers Coverage Form are replaced by the following:

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or agreement. We will pay for loss of use expenses caused by:

- (1) Other than collision only if the Declarations indicates that Comprehensive Coverage is provided for any covered "auto";

- (2) Specified Causes Of Loss only if the Declarations indicates that Specified Causes Of Loss Coverage is provided for any covered "auto"; or

- (3) Collision only if the Declarations indicates that Collision Coverage is provided for any covered "auto".

However, the most we will pay under this coverage is the amount shown in the Schedule.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOSS TO CUSTOMER'S PERSONAL PROPERTY

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

Paragraph **E.1. Garagekeepers Coverage** of **Section I – Covered Autos Coverages** is amended by the addition of the following:

We will pay up to \$1,000 for "loss" to personal property left in or with a "customer's auto".

This coverage is subject to a \$250 per "loss" deductible. Payment under this coverage will not reduce the Limit of Insurance.

AUTO DEALERS COVERAGE FORM

Various provisions in this Policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this Policy, the words "you" and "your" refer to the Named Insured shown in the Declarations and include your spouse, if you are an individual. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **V** – Definitions.

SECTION I – COVERED AUTOS COVERAGES

A. Description Of Covered Auto Designation Symbols

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

Symbol	Description Of Covered Auto Designation Symbols	
21	Any "Auto"	
22	Owned "Autos" Only	Only those "autos" you own (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the Policy begins.
23	Owned Private Passenger "Autos" Only	Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the Policy begins.
24	Owned "Autos" Other Than Private Passenger "Autos" Only	Only those "autos" you own that are not of the private passenger type (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the Policy begins.
25	Owned "Autos" Subject To No-fault	Only those "autos" you own that are required to have no-fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the Policy begins provided they are required to have no-fault benefits in the state where they are licensed or principally garaged.
26	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law	Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the Policy begins provided they are subject to the same state uninsured motorists requirement.
27	Specifically Described "Autos"	Only those "autos" described in Item Seven of the Declarations for which a premium charge is shown (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to a power unit described in Item Seven).
28	Hired "Autos" Only	Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent, or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

29	Non-owned "Autos" Used In Your "Auto" Dealership	Any "auto" you do not own, lease, hire, rent or borrow used in connection with your "auto" dealership described in the Declarations. This includes "autos" owned by your "employees" or partners (if you are a partnership), members (if you are a limited liability company) or members of their households while used in your "auto" dealership.
30	"Autos" Left With You For Service, Repair, Storage Or Safekeeping	Any land motor vehicle, trailer or semitrailer lawfully within your possession for service, repair, storage or safekeeping, with or without the vehicle owner's knowledge or consent. This also includes "autos" left in your care by your "employees" and members of their households who pay for the services performed.
31	"Auto" Dealers' "Autos" (Physical Damage Coverages)	Any "autos" and the interests in these "autos" described in Item Six of the Declarations.

B. Owned Autos

1. If Symbols **21**, **22**, **23**, **24**, **25** or **26** are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire after the policy period begins of the type described for the remainder of the policy period.
2. But, if Symbol **27** is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire after the policy period begins will be a covered "auto" for that coverage only if:
 - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
 - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.
3. An "auto" that is leased or rented to you without a driver, under a written agreement for a continuous period of at least six months that requires you to provide primary insurance covering such "auto", will be considered a covered "auto" you own.

C. Certain Trailers And Temporary Substitute Autos

If Covered Autos Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Covered Autos Liability Coverage:

1. "Trailers" with a registered Gross Vehicle Weight Rating of 3,000 pounds or less designed primarily for travel on public roads.

2. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. "Loss"; or
 - e. Destruction.

D. Covered Autos Liability Coverage

1. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Covered "Autos" Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

2. Who Is An Insured

The following are "insureds" for covered "autos":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
 - (1) The owner or anyone else from whom you hire or borrow a covered "auto".
This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.
 - (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
 - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing or repairing "autos" unless that business is yours.
 - (4) Your customers. However, if a customer of yours:
 - (a) Has no other available insurance (whether primary, excess or contingent), they are an "insured" but only up to the compulsory or financial responsibility law limits where the covered "auto" is principally garaged.
 - (b) Has other available insurance (whether primary, excess or contingent) less than the compulsory or financial responsibility law limits where the covered "auto" is principally garaged, they are an "insured" only for the amount by which the compulsory or financial responsibility law limits exceed the limit of their other insurance.

- (5) A partner (if you are a partnership), or a member (if you are a limited liability company), for a covered "auto" owned by him or her or a member of his or her household.

- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.
- d. Your "employee" while using a covered "auto" you do not own, hire or borrow in your business or your personal affairs.

3. Coverage Extensions

a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for the cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-of-state Coverage Extensions

While a covered "auto" is away from the state where it is licensed, we will:

- (1) Increase the Limit of Insurance for Covered Autos Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

4. Exclusions

This insurance does not apply to any of the following:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

b. Contractual

Liability assumed under any contract or agreement. But this exclusion does not apply to liability for damages:

- (1) Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- (2) That the "insured" would have in the absence of the contract or agreement.

c. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

d. Employee Indemnification And Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the "insured" arising out of and in the course of:
 - (a) Employment by the "insured"; or

- (b) Performing the duties related to the conduct of the "insured's" business; or

- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

- (a) Whether the "insured" may be liable as an employer or in any other capacity; and
- (b) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of Covered Autos Liability Coverage, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

e. Fellow Employee

"Bodily injury" to:

- (1) Any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
- (2) The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph (1) above.

f. Care, Custody Or Control

"Property damage" to or "covered pollution cost or expense" involving:

- (1) Property owned, rented or occupied by the "insured";
- (2) Property loaned to the "insured";
- (3) Property held for sale or being transported by the "insured"; or
- (4) Property in the "insured's" care, custody or control.

But this exclusion does not apply to liability assumed under a sidetrack agreement.

g. Leased Autos

Any covered "auto" while leased or rented to others. But this exclusion does not apply to a covered "auto" you rent to one of your customers while their "auto" is left with you for service or repair.

h. Pollution

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- (1) That are, or that are contained in any property that is:
 - (a) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto";
 - (b) Otherwise in the course of transit by or on behalf of the "insured"; or
 - (c) Being stored, disposed of, treated or processed in or upon the covered "auto";
- (2) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- (3) After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph (1) above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if the "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants".

Paragraphs (2) and (3) above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

i. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

j. Handling Of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- (1) Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- (2) After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

k. Movement Of Property By Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

l. Defective Products

"Property damage" to any of your "products" if caused by a defect existing in your "products" or any part of your "products" at the time it was transferred to another.

m. Work You Performed

"Property damage" to "work you performed" if the "property damage" results from any part of the work itself or from the parts, materials or equipment used in connection with the work.

n. Damage To Impaired Property Or Property Not Physically Damaged

"Property damage" to "impaired property" or other property not physically damaged if caused by:

- (1) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

- (2) A defect, deficiency, inadequacy or dangerous condition in your "products" or "work you performed". But this exclusion, n.(2), does not apply if the loss of use was caused by sudden and accidental damage to or destruction of your "products" or "work you performed" after they have been put to their intended use.

o. Products Recall

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of your "products" or "work you performed" or other property of which they form a part, if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

p. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

q. Acts, Errors Or Omissions

"Bodily injury" or "property damage" arising out of "acts, errors or omissions".

r. Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance or use of "unmanned aircraft".

5. Limit Of Insurance – Covered Autos Liability

For "accidents" resulting from the ownership, maintenance or use of covered "autos", the following applies:

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" involving a covered "auto" is the Limit Of Insurance for Covered "Autos" Liability Coverage shown in the Declarations.

Damages and "covered pollution cost or expense" payable under the Limit of Insurance for Covered "Autos" Liability Coverage are not payable under any applicable Limits of Insurance under Section II – General Liability Coverages or Section III – Acts, Errors Or Omissions Liability Coverage.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Auto Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

E. Garagekeepers Coverage

1. Coverage

- a. We will pay all sums the "insured" legally must pay as damages for "loss" to a "customer's auto" or "customer's auto" equipment left in the "insured's" care while the "insured" is attending, servicing, repairing, parking or storing it in your "auto dealer operations" under:

(1) Comprehensive Coverage

From any cause except:

- (a) The "customer's auto's" collision with another object; or

(b) The "customer's auto's" overturn.

(2) Specified Causes Of Loss Coverage

Caused by:

- (a) Fire, lightning or explosion;
- (b) Theft; or
- (c) Mischief or vandalism.

(3) Collision Coverage

Caused by:

- (a) The "customer's auto's" collision with another object; or
 - (b) The "customer's auto's" overturn.
- b. We have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for any loss to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends for a coverage when the Limit of Insurance for that coverage has been exhausted by payment of judgments or settlements.

2. Who Is An Insured

The following are "insureds" for "loss" to "customer's autos" and "customer's auto" equipment:

- a. You.
- b. Your partners and their spouses, if you are a partnership, but only with respect to the conduct of your "auto dealer operations".
- c. Your members, if you are a limited liability company, but only with respect to the conduct of your "auto dealer operations". Your managers are also "insureds", but only with respect to their duties as your managers.
- d. Your "executive officers" and directors, if you are an organization other than a partnership or limited liability company, but only with respect to their duties as your officers or directors. Your stockholders are also "insureds", but only with respect to their liability as stockholders.
- e. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of employment by you or while performing duties related to the conduct of your "auto dealer operations".

3. Coverage Extensions

The following apply as **Supplementary Payments**. We will pay for the "insured":

- a. All expenses we incur.
- b. The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- c. All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- d. All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- e. All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

4. Exclusions

- a. This insurance does not apply to any of the following:

(1) Contractual

Liability resulting from any contract or agreement by which the "insured" accepts responsibility for "loss". But this exclusion does not apply to liability for "loss" that the "insured" would have in the absence of the contract or agreement.

(2) Theft

"Loss" due to theft or conversion caused in any way by you, your "employees" or by your stockholders.

(3) Defective Parts

Defective parts or materials.

(4) Faulty Work

Faulty "work you performed".

- b. We will not pay for "loss" to any of the following:
 - (1) Tape decks or other sound-reproducing equipment unless permanently installed in a "customer's auto".

- (2) Tapes, records or other sound-reproducing devices designed for use with sound-reproducing equipment.
 - (3) Sound-receiving equipment designed for use as a citizens' band radio, two-way mobile radio or telephone or scanning monitor receiver, including its antennas and other accessories, unless permanently installed in the dash or console opening normally used by the "customer's auto" manufacturer for the installation of a radio.
 - (4) Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.
- c. We will not pay for "loss" caused by or resulting from the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".
- (1) War, including undeclared or civil war;
 - (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

5. Limit Of Insurance And Deductibles

- a. Regardless of the number of "customer's autos", "insureds", premiums paid, claims made or "suits" brought, the most we will pay for each "loss" at each location is the Garagekeepers Coverage Limit Of Insurance shown in the Declarations for that location. Prior to the application of this limit, the damages for "loss" that would otherwise be payable will be reduced by the applicable deductibles for "loss" caused by:
- (1) Collision; or
 - (2) With respect to Garagekeepers Coverage Comprehensive or Specified Causes Of Loss Coverage:
 - (a) Theft or mischief or vandalism; or
 - (b) All perils.

- b. The maximum deductible stated in the Declarations for Garagekeepers Coverage Comprehensive or Specified Causes Of Loss Coverage is the most that will be deducted for all "loss" in any one event caused by:
- (1) Theft or mischief or vandalism; or
 - (2) All perils.
- c. To settle a claim or "suit", we may pay all or any part of the deductible. If this happens, you must reimburse us for the deductible or that part of the deductible that we paid.

F. Physical Damage Coverage

1. Coverage

- a. We will pay for "loss" to a covered "auto" or its equipment under:

(1) Comprehensive Coverage

From any cause except:

- (a) The covered "auto's" collision with another object; or
- (b) The covered "auto's" overturn.

(2) Specified Causes Of Loss Coverage

Caused by:

- (a) Fire, lightning or explosion;
- (b) Theft;
- (c) Windstorm, hail or earthquake;
- (d) Flood;
- (e) Mischief or vandalism; or
- (f) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

(3) Collision Coverage

Caused by:

- (a) The covered "auto's" collision with another object; or
- (b) The covered "auto's" overturn.

b. Glass Breakage – Hitting A Bird Or Animal – Falling Objects Or Missiles

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- (1) Glass breakage;

- (2) "Loss" caused by hitting a bird or animal; and
- (3) "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

2. Coverage Extension – Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- a. Other than collision only if the Declarations indicates that Comprehensive Coverage is provided for any covered "auto";
- b. Specified Causes of Loss only if the Declarations indicates that Specified Causes Of Loss Coverage is provided for any covered "auto"; or
- c. Collision only if the Declarations indicates that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$30 per day, to a maximum of \$900.

3. Exclusions

- a. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

(1) Nuclear Hazard

- (a) The explosion of any weapon employing atomic fission or fusion; or
- (b) Nuclear reaction or radiation, or radioactive contamination, however caused.

(2) War Or Military Action

- (a) War, including undeclared or civil war;
- (b) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (c) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

- b. We will not pay for "loss" to any of the following:

- (1) Any covered "auto" leased or rented to others unless rented to one of your customers while their "auto" is left with you for service or repair.
- (2) Any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such contest or activity.
- (3) Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- (4) Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.
- (5) Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.
- (6) Any accessories used with the electronic equipment described in Paragraph (5) above.

Exclusions **b.(5)** and **b.(6)** do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- (a) Permanently installed in or upon the covered "auto" ;
- (b) Removable from a housing unit which is permanently installed in or upon the covered "auto";
- (c) An integral part of the same unit housing any electrical equipment described in Paragraphs (a) and (b) above; or
- (d) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

c. False Pretense

We will not pay for "loss" to a covered "auto" caused by or resulting from:

- (1) Someone causing you to voluntarily part with it by trick or scheme or under false pretenses; or
- (2) Your acquiring an "auto" from a seller who did not have legal title.

d. We will not pay for:

- (1) Your expected profit, including loss of market value or resale value.
- (2) "Loss" to any covered "auto" displayed or stored at any location not shown in Item Three of the Declarations if the "loss" occurs more than 45 days after your use of the location begins.
- (3) Under the Collision Coverage, "loss" to any covered "auto" while being driven or transported from the point of purchase or distribution to its destination if such points are more than 50 road miles apart.
- (4) Under the Specified Causes Of Loss Coverage, "loss" to any covered "auto" caused by or resulting from the collision or upset of any vehicle transporting it.

e. We will not pay for "loss" to a covered "auto" due to "diminution in value".**f. Other Exclusions**

We will not pay for "loss" due and confined to:

- (1) Wear and tear, freezing, mechanical or electrical breakdown.
- (2) Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

4. Limits Of Insurance**a. The most we will pay for:**

- (1) "Loss" to any one covered "auto" is the lesser of:
 - (a) The actual cash value of the damaged or stolen property as of the time of "loss"; or
 - (b) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

- (2) All electronic equipment that reproduces, receives or transmits audio, visual or data signals in any one "loss" is \$1,000, if, at the time of "loss", such electronic equipment is:

- (a) Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
- (b) Removable from a permanently installed housing unit as described in Paragraph (2)(a) above; or
- (c) An integral part of such equipment as described in Paragraphs (2)(a) and (2)(b) above.

- b. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".

- c. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

d. The following provisions also apply:

- (1) Regardless of the number of covered "autos" involved in the "loss", the most we will pay for all "loss" at any one location is the amount shown in the Declarations for that location. Regardless of the number of covered "autos" involved in the "loss", the most we will pay for all "loss" in transit is the amount shown in the Declarations for "loss" in transit.

(2) Quarterly Or Monthly Reporting Premium Basis

If, on the date of your last report, the actual value of the covered "autos" at the "loss" location exceeds what you last reported, when a "loss" occurs we will pay only a percentage of what we would otherwise be obligated to pay. We will determine this percentage by dividing your total reported value for the involved location by the total actual value at the "loss" location on the date of your last report.

If the first report due is delinquent on the date of "loss", the most we will pay will not exceed 75 percent of the Limit Of Insurance shown in the Declarations for the applicable location.

(3) Nonreporting Premium Basis

If, when "loss" occurs, the total value of your covered "autos" exceeds the Limit Of Insurance shown in the Declarations, we will pay only a percentage of what we would otherwise be obligated to pay. We will determine this percentage by dividing the Limit of Insurance by the total actual value at the "loss" location at the time the "loss" occurred.

5. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations prior to the application of the Limit Of Insurance, provided that:

- a. The Comprehensive or Specified Causes Of Loss Coverage deductible applies only to "loss" caused by:
 - (1) Theft or mischief or vandalism; or
 - (2) All perils.
- b. Regardless of the number of covered "autos" damaged or stolen:
 - (1) The per "loss" deductible for Comprehensive or Specified Causes Of Loss Coverage shown in Item Six of the Declarations for "autos" held for sale is the maximum deductible applicable for all "loss" in any one event caused by:
 - (a) Theft or mischief or vandalism; or
 - (b) All perils.
 - (2) The maximum deductible applicable to "autos" not held for sale for all "loss" in any one event caused by:
 - (a) Theft or mischief or vandalism; or
 - (b) All perils,
 will be equal to five times the highest deductible applicable to any one covered "auto" on the Policy for Comprehensive or Specified Causes Of Loss Coverage. The application of the highest deductible used to calculate the maximum deductible will be made regardless of which covered "autos" were damaged or stolen in the "loss".

SECTION II – GENERAL LIABILITY COVERAGES**A. Bodily Injury And Property Damage Liability****1. Coverage**

- a. We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from your "auto dealer operations".

We have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. But:

- (1) The amount we will pay for damages is limited as described in Paragraph **F. Limits Of Insurance – General Liability Coverages**; and
- (2) Our duty to defend or settle ends when the applicable limit of insurance has been exhausted by payment of judgments or settlements under Paragraph **A. Bodily Injury And Property Damage Liability** or **B. Personal And Advertising Injury Liability** or medical expenses under Paragraph **C. Locations And Operations Medical Payments**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

- b. This insurance applies to "bodily injury" and "property damage" only if:
 - (1) The "accident" occurs in the coverage territory;
 - (2) The "bodily injury" or "property damage" occurs during the policy period; and

(3) Prior to the policy period, no "insured" listed under Paragraphs **D.1.** through **D.4.** of the Who Is An Insured provision and no "employee" authorized by you to give or receive notice of an "accident" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed "insured" or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any "insured" listed under Paragraphs **D.1.** through **D.4.** of the Who Is An Insured provision or any "employee" authorized by you to give or receive notice of an "accident" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any "insured" listed under Paragraphs **D.1.** through **D.4.** of the Who Is An Insured provision or any "employee" authorized by you to give or receive notice of an "accident" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

2. Exclusions

This insurance does not apply to any of the following:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured". This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual

Liability assumed under any contract or agreement. But this exclusion does not apply to liability for damages:

- (1) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- (2) That the "insured" would have in the absence of the contract or agreement.

c. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

d. Employee Indemnification And Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the "insured" arising out of and in the course of:
 - (a) Employment by the "insured"; or
 - (b) Performing the duties related to the conduct of the "insured's" business;
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above;
- (3) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (4) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraph (3)(a), (b) or (c) above are directed.

This exclusion applies:

- (a) Whether the injury-causing event described in Paragraph (3)(a), (b) or (c) above occurs before employment, during employment or after employment of that person;

- (b) Whether the "insured" may be liable as an employer or in any other capacity; and
- (c) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

Paragraphs (1) and (2) of this exclusion do not apply to liability assumed by the "insured" under an "insured contract".

e. Damage To Property

"Property damage" to:

- (1) Property you own, rent or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Property loaned to the "insured";
- (3) Property held for sale or being transported by the "insured"; or
- (4) Property in the "insured's" care, custody or control.

Paragraphs (1), (2) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Paragraph F. Limits Of Insurance – General Liability Coverages.

This exclusion does not apply to liability assumed under a sidetrack agreement.

f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location that is or was at any time owned or occupied by, or rented or loaned to, any "insured";
 - (b) At or from any premises, site or location that is or was at any time used by or for any "insured" or others for the handling, storage, disposal, processing or treatment of waste;

- (c) At or from any premises, site or location on which any "insured" or any contractors or subcontractors working directly or indirectly on any "insured's" behalf are performing operations:

- (i) To test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, the "pollutants"; or

- (ii) If the "pollutants" are brought on or to the premises, site or location in connection with such operations by such "insured", contractor or subcontractor; or

- (d) That are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any "insured" or any person or organization for whom you may be legally responsible.

Paragraphs (1)(a) and (1)(c)(ii) do not apply to "bodily injury" or "property damage" arising out of heat, smoke or fumes from a hostile fire. A hostile fire means one that becomes uncontrollable, or breaks out from where it was intended to be.

Paragraph (1)(a) does not apply to "bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests.

Paragraph (1)(c)(ii) does not apply to "bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from material brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor.

(2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the "insured" would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any "insured". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "accident" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any "insured".

This exclusion does not apply to:

- (1) A watercraft while ashore on premises where you conduct "auto dealer operations";
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge; or
- (3) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft.

h. Defective Products

"Property damage" to any of your "products" if caused by a defect existing in your "products" or any part of your "products" at the time it was transferred to another.

i. Work You Performed

"Property damage" to "work you performed" if the "property damage" results from any part of the work itself or from the parts, materials or equipment used in connection with the work.

j. Damage To Impaired Property Or Property Not Physically Damaged

"Property damage" to "impaired property" or other property not physically damaged if caused by:

- (1) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.
- (2) A defect, deficiency, inadequacy or dangerous condition in your "products" or "work you performed". But this exclusion, j.(2), does not apply if the loss of use was caused by sudden and accidental damage to or destruction of your "products" or "work you performed" after they have been put to their intended use.

k. Products Recall

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of your "products" or "work you performed" or other property of which they form a part, if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

l. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

m. Liquor Liability

"Bodily injury" or "property damage" for which any "insured" may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

n. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

o. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair And Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

p. Access Or Disclosure Of Confidential Or Personal Information

"Bodily injury" or "property damage" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information. This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

Exclusions **c.** through **m.** do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Paragraph **F. Limits Of Insurance – General Liability Coverages.**

B. Personal And Advertising Injury Liability

1. Coverage

We will pay all sums the "insured" legally must pay as damages because of "personal and advertising injury" to which this insurance applies, caused by an offense arising out of your "auto dealer operations", but only if the offense was committed in the coverage territory during the policy period.

We will have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. But:

- a. The amount we will pay for damages is limited as described in Paragraph **F. Limits Of Insurance – General Liability Coverages;** and

- b. Our duty to defend or settle ends when the applicable limit of insurance has been exhausted by payment of judgments or settlements under Paragraph **A. Bodily Injury And Property Damage Liability** or Paragraph **B. Personal And Advertising Injury Liability** or medical expenses under Paragraph **C. Locations And Operations Medical Payments**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the "insured" with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material, if done by or at the direction of the "insured" with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the "insured".

e. Contractual

"Personal and advertising injury" for which the "insured" has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the "insured" would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Electronic Chat Rooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chat room or bulletin board the "insured" hosts, owns, or over which the "insured" exercises control.

k. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

l. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

m. Pollution-related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

n. War

"Personal and advertising injury" arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

o. Recording And Distribution Of Material Or Information In Violation Of Law

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair And Accurate Credit Transaction Act (FACTA); or

- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

p. Employment-related Practices

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraph (1)(a), (b) or (c) above are directed.

This exclusion applies:

- (a) Whether the injury-causing event described in Paragraph (1)(a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (b) Whether the "insured" may be liable as an employer or in any other capacity; and
- (c) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

q. Acts, Errors Or Omissions

"Personal and advertising injury" arising out of "acts, errors or omissions".

r. Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information. This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

C. Locations And Operations Medical Payments**1. Coverage**

- a. We will pay medical expenses as described below to or for each person who sustains "bodily injury" to which this coverage applies, caused by an "accident" and resulting from your "auto dealer operations".
- b. We will pay only those expenses incurred for services rendered within one year from the date of the "accident".
- c. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
 - (1) First aid administered at the time of an "accident";
 - (2) Necessary medical, surgical, diagnostic imaging and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

This insurance does not apply to "bodily injury":

a. Workers' Compensation

To a person, whether or not an "employee" of any "insured", if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

b. Insured

To any "insured".

c. Hired Person

To a person hired to do work for or on behalf of any "insured" or a tenant of any "insured".

d. Injury On Normally Occupied Premises

To a person injured on that part of the premises you own or rent that the person normally occupies.

e. Athletic Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Injury Away From Auto Dealer Locations

Sustained by a person away from locations owned, maintained or used for your "auto dealer operations".

g. Bodily Injury And Property Damage Liability

Excluded under Paragraph A. Bodily Injury And Property Damage Liability.

D. Who Is An Insured

The following are "insureds" for General Liability Coverages:

1. You.
2. Your partners and their spouses, if you are a partnership, but only with respect to the conduct of your "auto dealer operations".
3. Your members, if you are a limited liability company, but only with respect to the conduct of your "auto dealer operations". Your managers are also "insureds", but only with respect to their duties as your managers.
4. Your "executive officers" and directors, if you are an organization other than a partnership or limited liability company, but only with respect to their duties as your officers or directors. Your stockholders are also "insureds", but only with respect to their liability as stockholders.

5. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of employment by you or while performing duties related to the conduct of your "auto dealer operations". However, no "employee" is an "insured" for:

a. "Bodily injury" or "personal and advertising injury":

- (1) To you (if you are an individual), your partners (if you are a partnership), your members (if you are a limited liability company) or a fellow "employee" of the "insured" while in the course of his or her employment or while performing duties related to the conduct of your "auto dealer operations";
- (2) To the spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph (1) above;
- (3) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1) or (2) above; or
- (4) Arising out of his or her providing or failing to provide professional health care services.

b. "Property damage" to property:

- (1) Owned, occupied or used by;
- (2) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", any partner or member (if you are a partnership) or any member (if you are a limited liability company).

6. Any "auto" dealership that is acquired or formed by you, other than a partnership or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that "auto" dealership. However:

- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the "auto" dealership or the end of the policy period, whichever is earlier; and
- b. Coverage does not apply to:
 - (1) "Bodily injury" or "property damage" that occurred; or

(2) "Personal and advertising injury" arising out of an offense committed

before you acquired or formed the "auto" dealership.

No person or organization is an "insured" with respect to the conduct of any current or past partnership or limited liability company that is not shown as a Named Insured in the Declarations.

E. Supplementary Payments

With respect to coverage provided under Bodily Injury And Property Damage Liability and Personal And Advertising Injury Liability Coverages, we will pay for the "insured":

1. All expenses we incur.
2. The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
3. All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
4. All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
5. All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

F. Limits Of Insurance – General Liability Coverages

1. Regardless of the number of "insureds", claims made or "suits" brought or persons or organizations making claims or bringing "suits", the:
 - a. General Liability Aggregate Limit shown in the Declarations is the most we will pay for the sum of all:
 - (1) Damages under Paragraph A. Bodily Injury And Property Damage Liability, except damages because of "bodily injury" and "property damage" that are both:
 - (a) Sustained away from locations owned, maintained or used for your "auto dealer operations"; and

(b) Arising out of your "products" or "work you performed";

(2) Damages under Paragraph **B. Personal And Advertising Injury Liability**; and

(3) Medical expenses under Paragraph **C. Locations And Operations Medical Payments**.

b. Products And Work You Performed Aggregate Limit is the most we will pay under Paragraph **A. Bodily Injury And Property Damage Liability** for "bodily injury" and "property damage" that are both:

(1) Sustained away from locations owned, maintained or used for your "auto dealer operations"; and

(2) Arising out of your "products" or "work you performed".

2. Subject to Paragraph **1.a.** above, the Personal And Advertising Injury Liability Limit is the most we will pay for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization under Paragraph **B. Personal And Advertising Injury Liability**.

3. Subject to Paragraph **1.a.** above, the Locations And Operations Medical Payments Limit is the most we will pay for all medical expenses because of "bodily injury" for each person injured in any one "accident" under Paragraph **C. Locations And Operations Medical Payments**.

4. Subject to Paragraph **1.a.** or **1.b.** above, whichever applies, the General Liability Bodily Injury And Property Damage Liability Each "Accident" Limit shown in the Declarations is the most we will pay for the sum of all damages under Paragraph **A. Bodily Injury And Property Damage Liability** resulting from any one "accident".

Damages payable under any applicable Limits of Insurance for General Liability Coverages are not payable under Section **I – Covered Autos Coverages** or Section **III – Acts, Errors Or Omissions Liability Coverage**.

5. Subject to Paragraph **4.** above, the Damage To Premises Rented To You Limit is the most we will pay under Paragraph **A. Bodily Injury And Property Damage Liability** for damages because of "property damage" to any one premises, while rented to you or, in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.

6. The Aggregate Limits of Insurance for General Liability Coverages apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Aggregate Limits of Insurance – General Liability Coverages.

7. We will deduct \$500 from the damages in any "accident" resulting from "property damage" to an "auto" as a result of "work you performed" on that "auto".

SECTION III – ACTS, ERRORS OR OMISSIONS LIABILITY COVERAGES

A. Coverage

We will pay all sums that an "insured" legally must pay as damages because of any "act, error or omission" of the "insured" to which this insurance applies and arising out of the conduct of your "auto dealer operations", but only if the "act, error or omission" is committed in the coverage territory during the policy period.

We will have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for "acts, error or omissions" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. But:

1. The amount we will pay for damages is limited as described in Paragraph **E. Limits Of Insurance And Deductible**; and
2. Our duty to defend or settle ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Paragraph **D. Supplementary Payments**.

B. Exclusions

This insurance does not apply to:

1. Criminal, Fraudulent, Malicious, Dishonest Or Intentional Acts

Damages arising out of any criminal, fraudulent, malicious, dishonest or intentional "act, error or omission" by an "insured", including the willful or reckless violation of any law or regulation. However, this exclusion does not apply to any "insured" who did not:

- a. Personally commit;

- b. Personally participate in;
- c. Personally acquiesce to; or
- d. Remain passive after having knowledge of; any such "act, error or omission".

2. Bodily Injury, Property Damage Or Personal And Advertising Injury

"Bodily injury", "property damage" or "personal and advertising injury".

3. Profit Gain

Damages based upon, attributable to or arising in fact out of the gaining of any profit, remuneration or advantage to which any "insured" was not entitled.

4. Contractual

Liability for which the "insured" has assumed in a contract or agreement. This exclusion does not apply to liability for damages that the "insured" would have in the absence of the contract or agreement.

5. Noncompensatory Damages

Criminal fines or penalties imposed by law or regulation, punitive or exemplary damages or demands for injunctive or equitable relief.

6. Quality Or Performance Of Goods – Failure To Conform To Statements

Damages arising out of the failure of goods, products or services to conform with any statement of quality or performance.

7. Recording And Distribution Of Material Or Information In Violation Of Law

Damages arising directly or indirectly out of any "act, error or omission" that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- c. The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- d. Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

8. Discrimination

Damages arising directly or indirectly out of any "act, error or omission" that violates a person's civil rights with respect to such person's race, color, national origin, religion, gender, marital status, age, sexual orientation or preference, physical or mental condition, or any other protected class or characteristic established by any federal, state or local statutes, rules or regulations.

9. Bankruptcy Or Insolvency

Damages arising out of the:

- a. Bankruptcy;
- b. Financial inability to pay;
- c. Insolvency;
- d. Liquidation; or
- e. Receivership;

of any insurance company, reinsurer or other risk-assuming entity in which the "insured" has placed or obtained insurance for a customer.

However, this exclusion does not apply if the insurance company, reinsurer or other risk-assuming entity was rated "B+" or higher by A. M. Best Company, Inc. at the time the insurance was placed or obtained.

10. Access Or Disclosure Of Confidential Or Personal Information

Damages arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information. This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

C. Who Is An Insured

The following are "insureds" for "acts, errors or omissions":

- 1. You.
- 2. Your partners and their spouses, if you are a partnership, but only with respect to the conduct of your "auto dealer operations".
- 3. Your members, if you are a limited liability company, but only with respect to the conduct of your "auto dealer operations". Your managers are also "insureds", but only with respect to their duties as your managers.

4. Your "executive officers" and directors, if you are an organization other than a partnership or limited liability company, but only with respect to their duties as your officers or directors. Your stockholders are also "insureds", but only with respect to their liability as stockholders.
5. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of employment by you or while performing duties related to the conduct of your "auto dealer operations".
6. Any "auto" dealership that is acquired or formed by you, other than a partnership or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that "auto" dealership. However:
 - a. Coverage under this provision is afforded only until the 90th day after you acquire or form the "auto" dealership or the end of the policy period, whichever is earlier; and
 - b. Coverage does not apply to "acts, errors or omissions" that were committed before you acquired or formed the "auto" dealership.

No person or organization is an "insured" with respect to the conduct of any current or past partnership or limited liability company that is not shown as a Named Insured in the Declarations.

D. Supplementary Payments

With respect to "Acts, Errors Or Omissions" Liability Coverage, we will pay for the "insured":

1. All expenses we incur.
2. The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
3. All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
4. All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".

5. All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

E. Limit Of Insurance And Deductible

1. Regardless of the number of:
 - a. "Insureds";
 - b. Claims made or "suits" brought;
 - c. Persons or organizations making claims or bringing "suits"; or
 - d. "Acts, errors or omissions",
 the "Acts, Errors Or Omissions" Liability Aggregate Limit shown in the Declarations is the most we will pay for all damages because of "acts, errors or omissions" under Section III.
2. Damages payable under the Limits of Insurance for "Acts, Errors Or Omissions" Liability Coverage are not payable under any applicable Limits of Insurance under Section I – Covered Autos Coverages or Section II – General Liability Coverages.
3. Our obligation to pay damages applies only to the amount of damages in excess of any deductible amount stated in the Declarations as applicable to this coverage. The Limits of Insurance for "Acts, Errors Or Omissions" Liability Coverage will not be reduced by the amount of this deductible.
 To settle a claim or "suit", we may pay all or any part of the deductible. If this happens, you must reimburse us for the deductible or that part of the deductible that we paid.
4. The "Acts, Errors Or Omissions" Liability Aggregate Limit applies separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the "Acts, Errors Or Omissions" Liability Aggregate Limit.

SECTION IV – CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

A. Loss Conditions**1. Appraisal For Physical Damage Loss**

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire.

The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

2. Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions

We have no duty to provide coverage under this Policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit", offense, "loss" or "act, error or omission", you must give us or our authorized representative prompt notice of the "accident", offense, "loss" or "act, error or omission". Include:
 - (1) How, when and where the "accident", offense, "loss" or "act, error or omission" occurred;
 - (2) What the "act, error or omission" was;
 - (3) The "insured's" name and address;
 - (4) To the extent possible, the names and addresses of:
 - (a) Any injured persons and witnesses; or
 - (b) Anyone who may suffer damages as a result of an "act, error or omission".
- b. Additionally, you and any other involved "insured" must:
 - (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.

- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
 - (4) Authorize us to obtain medical records or other pertinent information.
 - (5) Submit to examination at our expense, by physicians of our choice, as often as we reasonably require.
 - (6) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the "insured" because of an "act, error or omission" to which this insurance may also apply.
- c. If there is "loss" to a covered "auto" or its equipment, you must also do the following:
- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
 - (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
 - (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
 - (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

3. Legal Action Against Us

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under any liability coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this Policy to bring us into an action to determine the "insured's" liability.

4. Loss Payment – Physical Damage Coverages

At our option, we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

5. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

This condition does not apply to damages under Paragraph C. Locations And Operations Medical Payments Coverage of Section II – General Liability Coverages.

B. General Conditions**1. Bankruptcy**

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

2. Concealment, Misrepresentation Or Fraud

This Coverage Form is void in any case of fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceals or misrepresents a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

3. Liberalization

If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

4. No Benefit To Bailee – Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. Other Insurance

a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Covered Autos Liability Coverage this Coverage Form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own; or
- (2) Primary while it is connected to a covered "auto" you own.

b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract".

d. For General Liability and "Acts, Errors Or Omissions" Liability Coverages, this insurance is primary except when e. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in f. below.

e. This Coverage Form is excess over any other insurance, whether primary, excess, contingent or on any other basis:

- (1) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
- (2) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;

(3) If the "loss" arises out of the maintenance or use of aircraft or watercraft to the extent not subject to Exclusion g. of Paragraph A. Bodily Injury And Property Damage Liability of Section II – General Liability Coverages; or

(4) That is specifically written to apply as primary insurance for liability arising out of your "acts, errors or omissions".

f. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. Premium Audit

a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this Policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

b. If this Policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the Policy.

7. Policy Period, Coverage Territory

Under this Coverage Form, we cover:

- a. "Bodily injury", "property damage" and "losses" occurring;
- b. "Personal and advertising injury" offenses and "acts, errors or omissions" committed; and
- c. "Covered pollution cost or expense" arising out of "accidents" occurring,

during the policy period shown in the Declarations and within the coverage territory.

The coverage territory is:

- (1) The United States of America;
- (2) The territories and possessions of the United States of America;

(3) Puerto Rico;

(4) Canada; and

(5) Anywhere else in the world if:

(a) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less;

(b) The "bodily injury", "property damage" or "personal and advertising injury" is caused by an "insured" who permanently lives within the United States of America, its territories or possessions, Puerto Rico or Canada while the "insured" is temporarily outside of one of those places;

(c) The "personal and advertising injury" offense takes place through the Internet or similar electronic means of communication; or

(d) The "bodily injury" or "property damage" is caused by one of your "products" which is sold for use in the United States of America, its territories or possessions, Puerto Rico or Canada,

provided that the "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada, or in a settlement we agree to.

However, the coverage territory described in Paragraph (5) above does not apply to "work you performed".

We also cover "bodily injury", "property damage", "covered pollution cost or expense" and "losses" while a covered "auto" is being transported between the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada.

8. Two Or More Coverage Forms Or Policies Issued By Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us applies to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

SECTION V – DEFINITIONS

- A.** "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".
- B.** "Act, error or omission" means any actual or alleged negligent act, error or omission committed by an "insured" in the course of your "auto dealer operations" arising:
1. Out of an "insured's" failure to comply with any local, state or federal law or regulation concerning the disclosure of credit or lease terms to consumers in connection with the sale or lease of an "auto" in your "auto dealer operations", including, but not limited to, the Truth In Lending and Consumer Leasing Acts;
 2. Out of an "insured's" failure to comply with any local, state or federal law or regulation concerning the disclosure of accurate odometer mileage to consumers in connection with the sale or lease of an "auto" in your "auto dealer operations";
 3. In an "insured's" capacity as an insurance agent or broker in the offering, placement or maintenance of any "auto" physical damage, auto loan/lease gap, credit life or credit disability insurance sold in connection with the sale or lease of an "auto" in your "auto dealer operations", but only if the "insured" holds a valid insurance agent or broker license at the time the "act, error or omission" is committed, in the jurisdiction in which your "auto dealer operations" is located, if required to do so by such jurisdiction; and
 4. Out of a defect in title in connection with the sale or lease of an "auto" in your "auto dealer operations".
- C.** "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
1. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 2. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
- D.** "Auto" means a land motor vehicle, "trailer" or semitrailer.
- E.** "Auto dealer operations" means the ownership, maintenance or use of locations for an "auto" dealership and that portion of the roads or other accesses that adjoin these locations. "Auto dealer operations" also include all operations necessary or incidental to an "auto" dealership.
- F.** "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these.
- G.** "Covered pollution cost or expense" means any cost or expense arising out of:
1. Any request, demand, order or statutory or regulatory requirement that the "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of, "pollutants".
- "Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
- a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";
 - (2) Otherwise in the course of transit by or on behalf of the "insured";
 - (3) Being stored, disposed of, treated or processed in or upon the covered "auto"; or
 - b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
 - c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if the "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants".

Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

- H.** "Customer's auto" means a land motor vehicle, "trailer" or semitrailer lawfully within your possession for service, repair, storage or safekeeping, with or without the vehicle owner's knowledge or consent. A "customer's auto" also includes any such vehicle left in your care by your "employees" and members of their households who pay for services performed.
- I.** "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".
- J.** "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- K.** "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
- L.** "Impaired property" means tangible property, other than your "product" or "work you performed", that cannot be used or is less useful because:
1. It incorporates your "product" or "work you performed" that is known or thought to be defective, deficient, inadequate or dangerous; or
 2. You have failed to fulfill the terms of a contract or agreement;
- if such property can be restored to use by the repair, replacement, adjustment or removal of your "product" or "work you performed" or your fulfilling the terms of the contract or agreement.

M. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.

N. "Insured contract" means:

1. A lease of premises;
2. A sidetrack agreement;
3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
5. That part of any other contract or agreement pertaining to your "auto" dealership (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
6. An elevator maintenance agreement; or
7. That part of any contract or agreement entered into, as part of your "auto" dealership, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a.** That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (1) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawing and specifications; or
 - (2) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage.
- b.** That indemnifies any person or organization for damage by fire to premises rented or loaned to you or temporarily occupied by you with permission of the owner.

- c. That pertains to the loan, lease or rental of an "auto", to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver.
 - d. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.
 - e. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing.
- O.** "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- P.** "Loading or unloading" means the handling of property:
- 1. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - 2. While it is in or on an aircraft, watercraft or "auto"; or
 - 3. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;
- but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".
- Q.** "Loss" means direct and accidental loss or damage. But for Garagekeepers Coverage only, "loss" also includes any resulting loss of use.
- R.** "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
- 1. False arrest, detention or imprisonment;
 - 2. Malicious prosecution;
 - 3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - 4. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - 5. Oral or written publication, in any manner, of material that violates a person's right of privacy;
 - 6. The use of another's advertising idea in your "advertisement"; or
 - 7. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
- S.** "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- T.** "Products" includes:
- 1. The goods or products made or sold in an "auto" dealership by:
 - a. You; or
 - b. An "auto" dealership you have acquired; and
 - 2. The providing of or failure to provide warnings or instructions.
- U.** "Property damage" means damage to or loss of use of tangible property.
- V.** "Suit" means a civil proceeding in which:
- 1. Damages because of "bodily injury", "property damage", "personal and advertising injury" or "acts, errors or omissions"; or
 - 2. A "covered pollution cost or expense", to which this insurance applies, are claimed.
- "Suit" includes:
- a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" submits with our consent.
- W.** "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- X.** "Trailer" includes semitrailer.

Y. "Unmanned aircraft" means an aircraft that is not:

1. Designed;
2. Manufactured; or
3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

Z. "Work you performed" includes:

1. Work that someone performed on your behalf; and
2. The providing of or failure to provide warnings or instructions.

COMMERCIAL AUTO
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**UNMANNED AIRCRAFT EXCLUSION FOR GENERAL
LIABILITY COVERAGES**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

Section II – General Liability Coverages is changed as follows:**A. Exclusion 2.g. Aircraft, Auto Or Watercraft** under Paragraph **A. Bodily Injury And Property Damage Liability** is replaced by the following:**2. Exclusions**

This insurance does not apply to any of the following:

g. Aircraft, Auto Or Watercraft**(1) Unmanned Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **g.(1)** applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "accident" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".**(2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any "insured". Use includes operation and "loading or unloading".

This Paragraph **g.(2)** applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "accident" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any "insured".This Paragraph **g.(2)** does not apply to:

- (a)**
- A watercraft while ashore on premises where you conduct "auto dealer operations";

- (b) A watercraft you do not own that is:
 - (i) Less than 26 feet long; and
 - (ii) Not being used to carry persons or property for a charge; or
- (c) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft.

B. The following exclusion is added to Paragraph 2. Exclusions of Coverage B – Personal And Advertising Injury Liability:

This insurance does not apply to:

Unmanned Aircraft

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a. The use of another's advertising idea in your "advertisement"; or
- b. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

COMMERCIAL AUTO
CA 02 70 01 18**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS CHANGES –
CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. The Cancellation Common Policy Condition is replaced by the following:**Cancellation**

1. The first Named Insured shown in the Declarations may cancel this Policy by mailing us advance written notice of cancellation.
2. When this Policy is in effect 61 days or more or is a renewal or continuation policy, we may cancel only for one or more of the following reasons by mailing you written notice of cancellation, stating the reasons for cancellation.
 - a. Nonpayment of premium.
 - b. The Policy was obtained through a material misrepresentation.
 - c. Any "insured" has violated any of the terms and conditions of the Policy.
 - d. The risk originally accepted has measurably increased.
 - e. Certification to the Director of Insurance of the loss of reinsurance by the insurer which provided coverage to us for all or a substantial part of the underlying risk insured.
 - f. A determination by the Director of Insurance that the continuation of the Policy could place us in violation of the Illinois insurance laws.
3. If we cancel for nonpayment of premium, we will mail you at least 10 days' written notice.
4. If this Policy is cancelled for other than nonpayment of premium and the Policy is in effect:
 - a. 60 days or less, we will mail you at least 30 days' written notice.

- b. 61 days or more, we will mail you at least 60 days' written notice.

5. If this Policy is cancelled, we will send you any premium refund due. If we cancel, the refund will be pro rata. If you cancel, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
 6. The effective date of cancellation stated in the notice shall become the end of the policy period.
 7. Our notice of cancellation will state the reason for cancellation.
 8. We will mail our cancellation notice to you at your last address known to us. Proof of mailing will be sufficient proof of notice.
 9. Notification of cancellation will also be sent to your broker, if known, or agent of record, if known, and to the loss payee listed on the Policy.
- B. The following is added and supersedes any provision to the contrary:**

Nonrenewal

If we decide not to renew or continue this Policy, we will mail you written notice, stating the reason for nonrenewal, at least 60 days before the end of the policy period. Proof of mailing will be sufficient proof of notice. Notification will also be sent to your broker, if known, or agent of record, if known, and to the loss payee listed on the Policy. If we offer to renew or continue and you do not accept, this Policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this Policy will end on the effective date of that insurance.

FILED DATE: 10/25/2024 4:42 PM 2024CH09759

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS EMPLOYMENT PRACTICES LIABILITY AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

EMPLOYMENT PRACTICES LIABILITY ENDORSEMENT

A. The term spouse is replaced by the following:

Spouse or party to a civil union recognized under Illinois Law.

B. The following is added to Paragraph B. Defense of Claims, Administrative Hearings & Settlement Authority under Section I – Coverage: Employment Practices Liability:

If we initially defend an insured or pay for an insured's defense but later determine that the claim(s) is (are) not covered under this insurance, we will have the right to reimbursement for the defense costs we have incurred.

The right to reimbursement for the defense costs under this provision will only apply to defense costs we have incurred after we notify you in writing that there may not be coverage, and that we are reserving our rights to terminate the defense and seek reimbursement for defense costs.

C. Paragraph C. under Section III – Limits of Insurance is replaced by the following:

C. In addition to the payments for "damages" and "defense expense" in paragraphs **A.** and **B.** above, we will also pay all interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the amount available for the judgment under the provisions of paragraphs **A.** and **B.** above. Any interest paid will not reduce the Each Related Wrongful Employment Practices Limit or the Total Aggregate Limit.

D. Paragraph K. under Section VI – Conditions does not apply.

E. Paragraph D. under Section VIII – Definitions is replaced by the following:

D. "Damages" means monetary amounts to which this insurance applies and which the insured is legally obligated to pay as judgments or awards, or as settlements to which we have agreed in writing. "Damages" include (i) to the extent allowed by law, any portion of a judgment or award that represents a multiple of the compensatory amounts or punitive or exemplary damages, and (ii) statutory attorney fees.

"Damages" do not include:

1. Civil, criminal, administrative or other fines or penalties;
2. Equitable relief, injunctive relief, declarative relief or any other relief or recovery other than monetary amounts; or
3. Judgments or awards because of acts deemed uninsurable by law.

All other terms and conditions of this Coverage Form remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – AUTO DEALERS COVERAGE FORM

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, Illinois, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Covered Autos Liability Coverage

1. Paragraphs **2.b.(3)** and **2.b.(4)** of the **Who Is An Insured** provision do not apply.
2. The **Limit Of Insurance – Covered Autos Liability** provision applies except that we will apply the Covered Autos Liability Coverage limit shown in the Declarations to first provide the separate limits required by the Illinois Safety Responsibility Law as follows:
 - a. \$25,000 for "bodily injury" to any one person caused by any one "accident";
 - b. \$50,000 for "bodily injury" to two or more persons caused by any one "accident"; and
 - c. \$20,000 for "property damage" caused by any one "accident".

This provision will not change our total Limit of Insurance for Covered Autos Liability Coverage.

B. Changes In Physical Damage Coverage

Paragraph **4.c.** of the **Limits Of Insurance** provision is replaced by the following:

- c. We may deduct for betterment if:
 - (1) The deductions reflect a measurable decrease in market value attributable to the poorer condition of, or prior damage to, the vehicle.
 - (2) The deductions are for prior wear and tear, missing parts and rust damage that are reflective of the general overall condition of the vehicle considering its age. In this event, deductions may not exceed \$500.

C. Changes In Conditions

The following is added to the **Other Insurance** Condition:

1. Covered Autos Liability Coverage provided by this Coverage Form for any "auto" you do not own is primary if:
 - a. The "auto" is owned or held for sale or lease by a new or used vehicle dealership;
 - b. The "auto" is operated by an "insured" with the permission of the dealership described in Paragraph **1.a.** while your "auto" is being repaired or evaluated; and
 - c. The Limit of Insurance for Covered Autos Liability Coverage under this Policy is at least:
 - (1) \$100,000 for "bodily injury" to any one person caused by any one "accident";
 - (2) \$300,000 for "bodily injury" to two or more persons caused by any one "accident"; and
 - (3) \$50,000 for "property damage" caused by any one "accident".
2. If you are a new or used vehicle dealership, Covered Autos Liability Coverage provided by this Coverage Form for any "auto" you own or hold for sale or lease, which is operated by an "insured" with your permission while such "insured's" auto is being repaired or evaluated, is excess over any other collectible insurance if such "insured" has liability insurance providing limits of at least:
 - a. \$100,000 for "bodily injury" to any one person caused by any one "accident";
 - b. \$300,000 for "bodily injury" to two or more persons caused by any one "accident"; and
 - c. \$50,000 for "property damage" caused by any one "accident".

POLICY NUMBER: B010120

COMMERCIAL AUTO
CA 21 30 01 15**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS UNINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, Illinois, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the Policy effective on the inception date of the Policy unless another date is indicated below.

Named Insured: Siglers Automotive and Body Shop, Inc

Endorsement Effective Date: 12-01-2022

SCHEDULE

Limit Of Insurance: \$1,000,000

Each "Accident"

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. Any judgment for damages arising out of a "suit" brought without our written consent is not binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".

- b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
- c. Anyone else "occupying" an "auto" you do not own who is an "insured" for Covered Autos Liability under the Coverage Form, but only at times when that person is an "insured" for Covered Autos Liability under the Coverage Form.
- d. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
 - a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

- b. Anyone else "occupying" an "auto" you do not own who is an "insured" for Covered Autos Liability under the Coverage Form, but only at times when that person is an "insured" for Covered Autos Liability under the Coverage Form.
- c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to any of the following:

1. Any claim settled without our consent.
2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
3. "Bodily injury" sustained by:
 - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form;
 - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form; or
 - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Uninsured Motorists Coverage on a primary basis under any other Coverage Form or policy.
4. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
5. Punitive or exemplary damages.
6. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the Limit Of Insurance for Uninsured Motorists Coverage shown in the Schedule or Declarations.

We will apply the limit shown in the Declarations to first provide the separate limits required by the Illinois Safety Responsibility Law as follows:

- a. \$25,000 for "bodily injury" to any one person caused by any one "accident"; and
- b. \$50,000 for "bodily injury" to two or more persons caused by any one "accident".

This provision will not change our total limit of liability.

2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage form, Medical Payments Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

We will not make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law.

E. Changes In Conditions

The **Conditions** are changed for Uninsured Motorists Coverage as follows:

1. **Other Insurance** in the Auto Dealers and Business Auto Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all Coverage Forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any Coverage Form or policy providing coverage on either a primary or excess basis.

b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible uninsured motorists insurance providing coverage on a primary basis.

c. If the coverage under this Coverage Form is provided:

(1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.

(2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

2. Duties In The Event Of Accident, Claim, Suit Or Loss in the Business Auto and Motor Carrier Coverage Forms and **Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions** in the Auto Dealers Coverage Form are changed by adding the following:

- a. Promptly notify the police if a hit-and-run driver is involved; and
- b. Promptly send us copies of the legal papers if a "suit" is brought.

3. Legal Action Against Us is replaced by the following:

Legal Action Against Us

- a. No one may bring a legal action against us under this Coverage Form until there has been full compliance with all the terms of this Coverage Form.
- b. Any legal action against us must be brought within two years after the date of the "accident". However, this Paragraph **3.b.** does not apply to an "insured" if, within two years after the date of the "accident", arbitration proceedings have commenced in accordance with the provisions of this Coverage Form.

4. Transfer Of Rights Of Recovery Against Others To Us does not apply.

5. The following conditions are added:

Reimbursement And Trust

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

Arbitration

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to the amount of damages, then the disagreement will be arbitrated. If the "insured" requests, we and the "insured" will each select an arbitrator. The two arbitrators will select a third. If the arbitrators are not selected within 45 days of the "insured's" request, either party may request that arbitration be submitted to the American Arbitration Association. We will bear all the expenses of the arbitration except when the "insured's" recovery exceeds the minimum limit specified in the Illinois Safety Responsibility Law.

If this occurs, the "insured" will be responsible for payment of his or her expenses and an equal share of the expenses of the third arbitrator up to the amount by which the "insured's" recovery exceeds the statutory minimum.

- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives.
- c. If arbitration is submitted to the American Arbitration Association, then the American Arbitration Association rules shall apply to all matters except medical opinions. As to medical opinions, if the amount of damages being sought:
 - (1) Is equal to or less than the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then the American Arbitration Association rules shall apply.
 - (2) Exceeds the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then rules of evidence that apply in the circuit court for placing medical opinions into evidence shall apply.

In all other arbitration proceedings, local rules of law as to arbitration procedure and evidence will apply.

- d. If the arbitration involves three arbitrators, a decision agreed to by two of the arbitrators will be binding for the amount of damages not exceeding the lesser of either:

- (1) \$75,000 for "bodily injury" to any one person/\$150,000 for "bodily injury" to two or more persons caused by any one "accident"; or

- (2) The Limit Of Uninsured Motorists Insurance shown in the Schedule or Declarations.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption, who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
 - a. For which no liability bond or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged;
 - b. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
 - c. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must hit, or cause an object to hit, an "insured", a covered "auto" or a vehicle an "insured" is "occupying". If there is no physical contact with the hit-and-run vehicle, the facts of the "accident" must be proved.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- b. Owned by a governmental unit or agency; or
- c. Designed for use mainly off public roads while not on public roads.

POLICY NUMBER: B010120

COMMERCIAL AUTO
CA 21 38 10 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS UNDERINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, Illinois, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: Siglers Automotive and Body Shop, Inc

Endorsement Effective Date: 12-01-2022

SCHEDULE

Limit Of Insurance: \$ 1,000,000

Each "Accident"

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "underinsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "underinsured motor vehicle".
2. We will pay only after all liability bonds or policies have been exhausted by payment of judgments or settlements, unless:
 - a. We have been given prompt written notice of a "tentative settlement" and decide to advance payment to the "insured" in an amount equal to that "tentative settlement" within 30 days after receipt of notification; or

- b. We and an "insured" have reached a "settlement agreement".

3. Any judgment for damages arising out of a "suit" brought without written notice to us is not binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".
 - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

- c. Anyone else "occupying" an "auto" you do not own who is an "insured" for Covered Autos Liability Coverage under the Coverage Form, but only at times when that person is an "insured" for Covered Autos Liability Coverage under the Coverage Form.
 - d. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
- a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - b. Anyone else "occupying" an "auto" you do not own who is an "insured" for Covered Autos Liability Coverage under the Coverage Form, but only at times when that person is an "insured" for Covered Autos Liability Coverage under the Coverage Form.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to any of the following:

- 1. The direct or indirect benefit of any insurer under any workers' compensation, disability benefits or similar law.
- 2. "Bodily injury" sustained by:
 - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Underinsured Motorists Coverage under this Coverage Form;
 - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Underinsured Motorists Coverage under this Coverage Form; or
 - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Underinsured Motorists Coverage on a primary basis under any other Coverage Form or policy.

- 3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
- 4. Punitive or exemplary damages.
- 5. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

- 1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the Limit Of Insurance for Underinsured Motorists Coverage shown in this endorsement.
- 2. Except in the event of a "settlement agreement", the Limit of Insurance for this coverage shall be reduced by all sums paid or payable:
 - a. By or for anyone who is legally responsible, including all sums paid under this Coverage Form's Covered Autos Liability Coverage.
 - b. Under any workers' compensation, disability benefits or similar law. However, the Limit of Insurance for this coverage shall not be reduced by any sums paid or payable under Social Security disability benefits.
 - c. Under any automobile medical payments coverage.
- 3. In the event of a "settlement agreement", the maximum Limit of Insurance for this coverage shall be the amount by which the Limit of Insurance for this coverage exceeds the limits of bodily injury liability bonds or policies applicable to the owner or operator of the "underinsured motor vehicle".
- 4. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage form.

E. Changes In Conditions

The Conditions are changed for Underinsured Motorists Coverage as follows:

1. Other Insurance in the Auto Dealers and Business Auto Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any Coverage Form or policy providing coverage on either a primary or excess basis.
- b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible underinsured motorists insurance providing coverage on a primary basis.
- c. If the coverage under this Coverage Form is provided:
 - (1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
 - (2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

2. Duties In The Event Of Accident, Claim, Suit Or Loss in the Business Auto and Motor Carrier Coverage Forms and **Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions** in the Auto Dealers Coverage Form are changed by adding the following:

- a. Give us written notice of a "tentative settlement" and allow us to advance payment in an amount equal to that settlement within 30 days after receipt of notification to preserve our rights against the owner or operator of the "underinsured motor vehicle".

- b. File "suit" against the owner or operator of the "underinsured motor vehicle" prior to the conclusion of a "settlement agreement". Such "suit" cannot be abandoned or settled without giving us written notice of a "tentative settlement" and allowing us 30 days to advance payment in an amount equal to that settlement to preserve our rights against the owner or operator of the "underinsured motor vehicle".

- c. Promptly send us copies of the legal papers if a "suit" is brought.

3. Legal Action Against Us is replaced by the following:

Legal Action Against Us

- a. No one may bring a legal action against us under this Coverage Form until there has been full compliance with all the terms of this Coverage Form.
- b. Any legal action against us under this Coverage Form must be brought within two years after the date of the "accident". However, this Paragraph **3.b.** does not apply if, within two years after the date of the "accident":
 - (1) Arbitration proceedings have commenced in accordance with the provisions of this Coverage Form; or
 - (2) The "insured" has filed an action for "bodily injury" against the owner or operator of an "underinsured motor vehicle", and such action is:
 - (a) Filed in a court of competent jurisdiction; and
 - (b) Not barred by the applicable state statute of limitations.

In the event that the two-year time limitation identified in this condition does not apply, the applicable state statute of limitations will govern legal action against us under this Coverage Form.

4. The following is added to Transfer Of Rights Of Recovery Against Others To Us:

Transfer Of Rights Of Recovery Against Others To Us does not apply to damages caused by an "accident" with an "underinsured motor vehicle" if we:

- a. Have been given written notice of a "tentative settlement" between an "insured" and the insurer of an "underinsured motor vehicle"; and

- b. Fail to advance payment to the "insured" in an amount equal to the "tentative settlement" within 30 days after receipt of the notice.

If we advance payment to the "insured" in an amount equal to the "tentative settlement" within 30 days after receipt of notice:

- a. That payment will be separate from any amount the "insured" is entitled to recover under the provisions of Underinsured Motorists Coverage; and
- b. We will also have a right to recover the advanced payment.

However, in the event of a "settlement agreement", we shall be entitled to recover only for amounts which exceed the limit of bodily injury liability bonds or policies applicable to the owner or operator of the "underinsured motor vehicle".

5. The following conditions are added:

Reimbursement And Trust

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

However, in the event of a "settlement agreement", we shall be entitled to recover only for amounts which exceed the limit of bodily injury liability bonds or policies applicable to the owner or operator of the "underinsured motor vehicle".

Arbitration

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "underinsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured", then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. Either party may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.

- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption, who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Settlement agreement" means we and an "insured" agree that the "insured" is legally entitled to recover, from the owner or operator of the "underinsured motor vehicle", damages for "bodily injury" and, without arbitration, agree also as to the amount of damages. Such agreement is final and binding regardless of any subsequent judgment or settlement reached by the "insured" with the owner or operator of the "underinsured motor vehicle".
4. "Tentative settlement" means an offer from the owner or operator of the "underinsured motor vehicle" to compensate an "insured" for damages incurred because of "bodily injury" sustained in an accident involving an "underinsured motor vehicle".
5. "Underinsured motor vehicle" means a land motor vehicle or "trailer" for which the sum of all liability bonds or policies at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged, but that sum is either less than the Limit of Insurance of this coverage or reduced by payments to other persons resulting from the same "accident" to an amount less than the Limit of Insurance of this coverage. However, "underinsured motor vehicle" does not include any vehicle:
 - a. Owned or operated by any self-insurer under any applicable motor vehicle law.
 - b. Owned by a governmental unit or agency.
 - c. Designed for use mainly off public roads while not on public roads.
 - d. Which is an "uninsured motor vehicle".



Endorsement

Commercial Liability Umbrella Coverage Declarations**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076-4042**Agency Name and Address:**ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

12778

Limits of InsuranceAggregate Limit \$2,000,000
(Except with Respect to "Covered Autos")

Personal and Advertising Injury Limit \$2,000,000

Each Occurrence \$2,000,000

Terrorism Risk Insurance Act Included

Umbrella Premium \$2,081**This is not a bill.** A billing invoice will be sent separately.

See attached schedule for forms applicable to all coverage parts.

Countersignature

Date

(Authorized Representative)



Endorsement

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630-468-5400

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Retained Limit

Self-Insured Retention

Waived

Schedule of Underlying Insurance**Auto Dealers Liability**

Insurer: West Bend Mutual Insurance Company

Policy Number: B010120

Policy Term: Refer to Underlying Policy

Limits of Insurance:

Personal And Advertising Injury \$1,000,000

Each Accident – Covered Autos Liability \$1,000,000

Each Accident – General Liability Bodily Injury And Property Damage Liability \$1,000,000

Products And work You Performed Aggregate \$3,000,000

General Liability Aggregate \$3,000,000



Endorsement

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630-468-5400

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Miscellaneous and Endorsement Premium Schedule

Description	Form Number	Premium
Terrorism Risk Insurance Act	CU2130	No Charge
Total Miscellaneous and Endorsement Premium:		\$0



Endorsement

Commercial Liability Umbrella Coverage Declarations**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076-4042

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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Forms Schedule

Number	Edition	Description
CU0001	0413	COMMERCIAL LIABILITY UMBRELLA COVERAGE FORM
CU2123	0202	NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT
CU2130	0115	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
CU2150	0305	SILICA OR SILICA-RELATED DUST EXCLUSION
CU2171	0615	EXCLUSION – UNMANNED AIRCRAFT
CU2186	0514	EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY - WITH LIMITED BODILY INJURY EXCEPTION
CU2190	1116	PUBLIC OR LIVERY PASSENGER CONVEYANCE AND ON-DEMAND DELIVERY SERVICES EXCLUSION
CU2231	0918	AUTO DEALERS ENDORSEMENT
CU2416	0918	AUTO DEALERS BROAD FORM PRODUCTS COVERAGE
WB1210	0118	EXCLUSION - AUTO DEALERS ACTS, ERRORS OR OMISSIONS LIABILITY COVERAGES
WB1468CU	0414	EXCLUSION - ASBESTOS OR ASBESTOS PRODUCTS
WB1475	0708	CONTRACTUAL LIABILITY FOLLOWING FORM ENDORSEMENT
WB2312	0304	YEAR 2000 COMPUTER-RELATED AND OTHER ELECTRONIC PROBLEMS FOLLOWING FORM ENDORSEMENT
WB2709	0118	WHO IS AN INSURED LIMITATION
CU0200	0118	ILLINOIS CHANGES - CANCELLATION AND NONRENEWAL



Endorsement

Commercial Liability Umbrella Coverage Declarations**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076-4042**Agency Name and Address:**ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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Forms Schedule

Number	Edition	Description
CU2255	0900	ILLINOIS CHANGES - POLLUTION EXCLUSION - HOSTILE FIRE EXCEPTION

COMMERCIAL LIABILITY UMBRELLA COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "retained limit" because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking damages for such "bodily injury" or "property damage" when the "underlying insurance" does not provide coverage or the limits of "underlying insurance" have been exhausted. When we have no duty to defend, we will have the right to defend, or to participate in the defense of, the insured against any other "suit" seeking damages to which this insurance may apply. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. At our discretion, we may investigate any "occurrence" that may involve this insurance and settle any resultant claim or "suit" for which we have the duty to defend. But:

- (1) The amount we will pay for the "ultimate net loss" is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "bodily injury" or "property damage" that is subject to an applicable "retained limit". If any other limit, such as a sublimit, is specified in the "underlying insurance", this insurance does not apply to "bodily injury" or "property damage" arising out of that exposure unless that limit is specified in the Declarations under the Schedule of "underlying insurance".
- c. This insurance applies to "bodily injury" and "property damage" only if:
 - (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
 - (2) The "bodily injury" or "property damage" occurs during the policy period; and
 - (3) Prior to the policy period, no insured listed under Paragraph 1.a. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
- d. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1.a. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

e. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1.a. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

f. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

(b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage" involved that which is described in Paragraph (1), (2) or (3) above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

This exclusion does not apply to the extent that valid "underlying insurance" for the liquor liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" and "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the liquor liability risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. ERISA

Any obligation of the insured under the Employee Retirement Income Security Act of 1974 (ERISA), and any amendments thereto or any similar federal, state or local statute.

f. Auto Coverages

- (1) "Bodily injury" or "property damage" arising out of the ownership, maintenance or use of any "auto" which is not a "covered auto"; or
- (2) Any loss, cost or expense payable under or resulting from any first-party physical damage coverage; no-fault law; personal injury protection or auto medical payments coverage; or uninsured or underinsured motorist law.

g. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

With respect to injury arising out of a "covered auto", this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits. For the purposes of this insurance, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

This exclusion does not apply to the extent that valid "underlying insurance" for the employer's liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the employer's liability risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

h. Employment-related Practices

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraph (a), (b), or (c) above is directed.

This exclusion applies whether the injury-causing event described in Paragraph (a), (b) or (c) above occurs before employment, during employment or after employment of that person.

This exclusion applies whether the insured may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

i. Pollution

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time; or
- (2) "Pollution cost or expense".

This exclusion does not apply if valid "underlying insurance" for the pollution liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" and "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the pollution risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

j. Aircraft Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 50 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (4) The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described above will follow the same provisions, exclusions and limitations that are contained in the "underlying insurance", unless otherwise directed by this insurance; or

(5) Aircraft that is:

- (a) Chartered by, loaned to, or hired by you with a paid crew; and
- (b) Not owned by any insured.

k. Racing Activities

"Bodily injury" or "property damage" arising out of the use of "mobile equipment" or "autos" in, or while in practice for, or while being prepared for, any prearranged professional or organized racing, speed, demolition, or stunting activity or contest.

l. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

m. Damage To Property

"Property damage" to:

- (1) Property:
 - (a) You own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property; or
 - (b) Owned or transported by the insured and arising out of the ownership, maintenance or use of a "covered auto".
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (1)(b), (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraphs (3) and (4) of this exclusion do not apply to liability assumed under a written Trailer Interchange agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

n. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

o. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

p. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

q. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or

- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

r. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

s. Professional Services

"Bodily injury" or "property damage" due to rendering of or failure to render any professional service. This includes but is not limited to:

- (1) Legal, accounting or advertising services;
- (2) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings or specifications;
- (3) Inspection, supervision, quality control, architectural or engineering activities done by or for you on a project on which you serve as construction manager;
- (4) Engineering services, including related supervisory or inspection services;
- (5) Medical, surgical, dental, X-ray or nursing services treatment, advice or instruction;
- (6) Any health or therapeutic service treatment, advice or instruction;
- (7) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement, or personal grooming or therapy;
- (8) Any service, treatment, advice or instruction relating to physical fitness, including service, treatment, advice or instruction in connection with diet, cardiovascular fitness, bodybuilding or physical training programs;
- (9) Optometry or optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;
- (10) Body piercing services;
- (11) Services in the practice of pharmacy;
- (12) Law enforcement or firefighting services; and
- (13) Handling, embalming, disposal, burial, cremation or disinterment of dead bodies.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", involved the rendering of or failure to render any professional service.

t. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access or inability to manipulate electronic data.

However, this exclusion does not apply to liability for damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

This exclusion does not apply if valid "underlying insurance" for the electronic data risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" and "property damage". The insurance provided under this Coverage Part will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

u. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "retained limit" because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking damages for such "personal and advertising injury" when the "underlying insurance" does not provide coverage or the limits of "underlying insurance" have been exhausted. When we have no duty to defend, we will have the right to defend, or to participate in the defense of, the insured against any other "suit" seeking damages to which this insurance may apply. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. At our discretion, we may investigate any offense that may involve this insurance and settle any resultant claim or "suit" for which we have the duty to defend. But:

- (1) The amount we will pay for the "ultimate net loss" is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "personal and advertising injury" that is subject to an applicable "retained limit". If any other limit, such as a sublimit, is specified in the "underlying insurance", this insurance does not apply to "personal and advertising injury" arising out of that exposure unless that limit is specified in the Declarations under the Schedule of "underlying insurance".
- c. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. "Personal and advertising injury":

(1) Knowing Violation Of Rights Of Another

Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

(2) Material Published With Knowledge Of Falsity

Arising out of oral or written publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.

(3) Material Published Prior To Policy Period

Arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.

(4) Criminal Acts

Arising out of a criminal act committed by or at the direction of the insured.

(5) Contractual Liability

For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to:

- (a)** Liability for damages that the insured would have in the absence of the contract or agreement.
- (b)** Liability for false arrest, detention or imprisonment assumed in a contract or agreement.

(6) Breach Of Contract

Arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

(7) Quality Or Performance Of Goods – Failure To Conform To Statements

Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

(8) Wrong Description Of Prices

Arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

(9) Infringement Of Copyright, Patent, Trademark Or Trade Secret

Arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

(10) Insureds In Media And Internet Type Businesses

Committed by an insured whose business is:

- (a)** Advertising, broadcasting, publishing or telecasting;
- (b)** Designing or determining content of web sites for others; or
- (c)** An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14.a.**, **b.** and **c.** of "personal and advertising injury" under the Definitions section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

(11) Electronic Chatrooms Or Bulletin Boards

Arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

(12) Unauthorized Use Of Another's Name Or Product

Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

(13) Pollution

Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

(14) Employment-related Practices

To:

- (a) A person arising out of any:
 - (i) Refusal to employ that person;
 - (ii) Termination of that person's employment; or
 - (iii) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (b) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraph (i), (ii) or (iii) above is directed.

This exclusion applies whether the injury-causing event described in Paragraph (i), (ii) or (iii) above occurs before employment, during employment or after employment of that person.

This exclusion applies whether the insured may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

(15) Professional Services

Arising out of the rendering of or failure to render any professional service. This includes but is not limited to:

- (a) Legal, accounting or advertising services;
- (b) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings or specifications;
- (c) Inspection, supervision, quality control, architectural or engineering activities done by or for you on a project on which you serve as construction manager;
- (d) Engineering services, including related supervisory or inspection services;
- (e) Medical, surgical, dental, X-ray or nursing services treatment, advice or instruction;

- (f) Any health or therapeutic service treatment, advice or instruction;
- (g) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement, or personal grooming or therapy;
- (h) Any service, treatment, advice or instruction relating to physical fitness, including service, treatment, advice or instruction in connection with diet, cardiovascular fitness, bodybuilding or physical training programs;
- (i) Optometry or optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;
- (j) Body piercing services;
- (k) Services in the practice of pharmacy;
- (l) Law enforcement or firefighting services; and
- (m) Handling, embalming, disposal, burial, cremation or disinterment of dead bodies.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury", involved the rendering of or failure to render any professional service.

(16) War

However caused, arising, directly or indirectly, out of:

- (a) War, including undeclared or civil war;
- (b) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (c) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

(17) Recording And Distribution Of Material Or Information In Violation Of Law

Arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (a) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (b) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (c) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (d) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

b. "Pollution cost or expense".

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend, when the duty to defend exists:
 - a. All expenses we incur.
 - b. Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "occurrence" we cover. We do not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
 - e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. When we have the right but not the duty to defend the insured and elect to participate in the defense, we will pay our own expenses but will not contribute to the expenses of the insured or the "underlying insurer".
3. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - b. This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
 - d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
 - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
 - f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and

- (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
- (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and
 - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I – Coverage A – Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II – WHO IS AN INSURED

1. Except for liability arising out of the ownership, maintenance or use of "covered autos":
 - a. If you are designated in the Declarations as:
 - (1) An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - (2) A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 - (3) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
 - (4) An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

- (5) A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

b. Each of the following is also an insured:

- (1) Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

- (a) "Bodily injury" or "personal and advertising injury":

- (i) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" in the course of his or her employment or performing duties related to the conduct of your business or to your other "volunteer workers" while performing duties related to the conduct of your business;

- (ii) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (a)(i) above; or

- (iii) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (a)(i) or (ii) above.

- (b) "Property damage" to property:

- (i) Owned, occupied or used by;

- (ii) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- (2) Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

- (3) Any person or organization having proper temporary custody of your property if you die, but only:
 - (a) With respect to liability arising out of the maintenance or use of that property; and
 - (b) Until your legal representative has been appointed.
 - (4) Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
 - c. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - (1) Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - (2) Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - (3) Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.
 - 2. Only with respect to liability arising out of the ownership, maintenance or use of "covered autos":
 - a. You are an insured.
 - b. Anyone else while using with your permission a "covered auto" you own, hire or borrow is also an insured except:
 - (1) The owner or anyone else from whom you hire or borrow a "covered auto". This exception does not apply if the "covered auto" is a trailer or semitrailer connected to a "covered auto" you own.
 - (2) Your "employee" if the "covered auto" is owned by that "employee" or a member of his or her household.
 - (3) Someone using a "covered auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from a "covered auto".
 - (5) A partner (if you are a partnership), or a member (if you are a limited liability company) for a "covered auto" owned by him or her or a member of his or her household.
 - (6) "Employees" with respect to "bodily injury" to:
 - (a) Any fellow "employee" of the insured arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
 - (b) The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph (a) above.
 - c. Anyone liable for the conduct of an insured described above is also an insured, but only to the extent of that liability.
 - 3. Any additional insured under any policy of "underlying insurance" will automatically be an insured under this insurance.
- Subject to Section III – Limits Of Insurance, if coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:
- a. Required by the contract or agreement, less any amounts payable by any "underlying insurance"; or
 - b. Available under the applicable Limits of Insurance shown in the Declarations;
- whichever is less.
- Additional insured coverage provided by this insurance will not be broader than coverage provided by the "underlying insurance".
- No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made, "suits" brought, or number of vehicles involved; or
 - c. Persons or organizations making claims or bringing "suits".
2. The Aggregate Limit is the most we will pay for the sum of all "ultimate net loss" under:
 - a. Coverage **A**, except "ultimate net loss" because of "bodily injury" or "property damage" arising out of the ownership, maintenance or use of a "covered auto"; and
 - b. Coverage **B**.
3. Subject to Paragraph 2. above, the Each Occurrence Limit is the most we will pay for the sum of all "ultimate net loss" under Coverage **A** because of all "bodily injury" and "property damage" arising out of any one "occurrence".
4. Subject to Paragraph 2. above, the Personal And Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all "ultimate net loss" because of all "personal and advertising injury" sustained by any one person or organization.
5. If there is "underlying insurance" with a policy period that is nonconcurrent with the policy period of this Commercial Liability Umbrella Coverage Part, the "retained limit(s)" will only be reduced or exhausted by payments for:
 - a. "Bodily injury" or "property damage" which occurs during the policy period of this Coverage Part; or
 - b. "Personal and advertising injury" for offenses that are committed during the policy period of this Coverage Part.

However, if any "underlying insurance" is written on a claims-made basis, the "retained limit(s)" will only be reduced or exhausted by claims for that insurance that are made during the policy period, or any Extended Reporting Period, of this Coverage Part.

The Aggregate Limit, as described in Paragraph 2. above, applies separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – CONDITIONS**1. Appeals**

If the "underlying insurer" or insured elects not to appeal a judgment in excess of the "retained limit", we may do so at our own expense. We will also pay for taxable court costs, pre- and postjudgment interest and disbursements associated with such appeal. In no event will this provision increase our liability beyond the applicable Limits of Insurance described in Section III – Limits Of Insurance.

2. Bankruptcy**a. Bankruptcy Of Insured**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

b. Bankruptcy Of Underlying Insurer

Bankruptcy or insolvency of the "underlying insurer" will not relieve us of our obligations under this Coverage Part.

However, this insurance will not replace the "underlying insurance" in the event of bankruptcy or insolvency of the "underlying insurer". This insurance will apply as if the "underlying insurance" were in full effect.

3. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense, regardless of the amount, which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

- b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

- c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

4. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

5. Other Insurance

- a. This insurance is excess over, and shall not contribute with any of the other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Part.

When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

- b. When this insurance is excess over other insurance, we will pay only our share of the "ultimate net loss" that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of the insurance provided under this Coverage Part; and

- (2) The total of all deductible and self-insured amounts under all that other insurance.

6. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

7. Representations Or Fraud

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us;
- c. We have issued this policy in reliance upon your representations; and
- d. This policy is void in any case of fraud by you as it relates to this policy or any claim under this policy.

8. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

9. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

10. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

11. Loss Payable

Liability under this Coverage Part does not apply to a given claim unless and until:

- a. The insured or insured's "underlying insurer" has become obligated to pay the "retained limit"; and
- b. The obligation of the insured to pay the "ultimate net loss" in excess of the "retained limit" has been determined by a final settlement or judgment or written agreement among the insured, claimant and us.

12. Transfer Of Defense

When the underlying limits of insurance have been used up in the payment of judgments or settlements, the duty to defend will be transferred to us. We will cooperate in the transfer of control to us of any outstanding claims or "suits" seeking damages to which this insurance applies which would have been covered by the "underlying insurance" had the applicable limit not been used up.

13. Maintenance Of/Changes To Underlying Insurance

Any "underlying insurance" must be maintained in full effect without reduction of coverage or limits except for the reduction of the aggregate limit in accordance with the provisions of such "underlying insurance" that results from payment of claims, settlement or judgments to which this insurance applies.

Such exhaustion or reduction is not a failure to maintain "underlying insurance". Failure to maintain "underlying insurance" will not invalidate insurance provided under this Coverage Part, but insurance provided under this Coverage Part will apply as if the "underlying insurance" were in full effect.

If there is an increase in the scope of coverage of any "underlying insurance" during the term of this policy, our liability will be no more than it would have been if there had been no such increase.

You must notify us in writing, as soon as practicable, if any "underlying insurance" is cancelled, not renewed, replaced or otherwise terminated, or if the limits or scope of coverage of any "underlying insurance" is changed.

14. Expanded Coverage Territory

- a. If a "suit" is brought in a part of the "coverage territory" that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada, and we are prevented by law, or otherwise, from defending the insured, the insured will initiate a defense of the "suit". We will reimburse the insured, under Supplementary Payments, for any reasonable and necessary expenses incurred for the defense of a "suit" seeking damages to which this insurance applies, that we would have paid had we been able to exercise our right and duty to defend.

If the insured becomes legally obligated to pay sums because of damages to which this insurance applies in a part of the "coverage territory" that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada, and we are prevented by law, or otherwise, from paying such sums on the insured's behalf, we will reimburse the insured for such sums.

- b. All payments or reimbursements we make for damages because of judgments or settlements will be made in U.S. currency at the prevailing exchange rate at the time the insured became legally obligated to pay such sums. All payments or reimbursements we make for expenses under Supplementary Payments will be made in U.S. currency at the prevailing exchange rate at the time the expenses were incurred.
- c. Any disputes between you and us as to whether there is coverage under this policy must be filed in the courts of the United States of America (including its territories and possessions), Canada or Puerto Rico.
- d. The insured must fully maintain any coverage required by law, regulation or other governmental authority during the policy period, except for reduction of the aggregate limits due to payments of claims, judgments or settlements.

Failure to maintain such coverage required by law, regulation or other governmental authority will not invalidate this insurance. However, this insurance will apply as if the required coverage by law, regulation or other governmental authority was in full effect.

SECTION V – DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
2. "Auto" means:
 - a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".
3. "Bodily injury" means bodily injury, disability, sickness or disease sustained by a person, including death resulting from any of these at any time. "Bodily injury" includes mental anguish or other mental injury resulting from "bodily injury".
4. "Coverage territory" means anywhere in the world with the exception of any country or jurisdiction which is subject to trade or other economic sanction or embargo by the United States of America.
5. "Covered auto" means only those "autos" to which "underlying insurance" applies.
6. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
7. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work", or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:
 - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".
 - g. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraphs **f.** and **g.** do not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2) That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or

(3) That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a "covered auto" over a route or territory that person or organization is authorized to serve by public authority.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment designed primarily for:

- (a) Snow removal;
- (b) Road maintenance, but not construction or resurfacing; or
- (c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your "advertisement"; or
- g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Pollution cost or expense" means any loss, cost or expense arising out of any:

- a. Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- b. Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

17. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

- (1) Products that are still in your physical possession; or
- (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:
 - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured; or

- (2) The existence of tools, uninstalled equipment or abandoned or unused materials.

18. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

With respect to the ownership, maintenance or use of "covered autos", property damage also includes "pollution cost or expense", but only to the extent that coverage exists under the "underlying insurance" or would have existed but for the exhaustion of the underlying limits.

For the purposes of this insurance, with respect to other than the ownership, maintenance or use of "covered autos", electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

- 19.** "Retained limit" means the available limits of "underlying insurance" scheduled in the Declarations or the "self-insured retention", whichever applies.
- 20.** "Self-insured retention" means the dollar amount listed in the Declarations that will be paid by the insured before this insurance becomes applicable only with respect to "occurrences" or offenses not covered by the "underlying insurance". The "self-insured retention" does not apply to "occurrences" or offenses which would have been covered by "underlying insurance" but for the exhaustion of applicable limits.
- 21.** "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent or the "underlying insurer's" consent.
22. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
23. "Ultimate net loss" means the total sum, after reduction for recoveries or salvages collectible, that the insured becomes legally obligated to pay as damages by reason of settlement or judgments or any arbitration or other alternate dispute method entered into with our consent or the "underlying insurer's" consent.
24. "Underlying insurance" means any policies of insurance listed in the Declarations under the Schedule of "underlying insurance".
25. "Underlying insurer" means any insurer who provides any policy of insurance listed in the Schedule of "underlying insurance".
26. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
27. "Your product":
- a. Means:
- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
 - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

- b. Includes:
- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions.
- c. Does not include vending machines or other property rented to or located for the use of others but not sold.
28. "Your work":
- a. Means:
- (1) Work or operations performed by you or on your behalf; and
 - (2) Materials, parts or equipment furnished in connection with such work or operations.
- b. Includes:
- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
 - (2) The providing of or failure to provide warnings or instructions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**NUCLEAR ENERGY LIABILITY EXCLUSION
ENDORSEMENT**
(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

I. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

(1) With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

(1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an insured or (b) has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an insured; or

(3) The "bodily injury" or "property damage" arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

II. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "Special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a) Any "nuclear reactor";
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";
- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

- A.** If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.
- "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
- 1.** The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
 - 2.** The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- B.** The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.

COMMERCIAL LIABILITY UMBRELLA
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SILICA OR SILICA-RELATED DUST EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

- A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

2. Exclusions

This insurance does not apply to:

SILICA OR SILICA-RELATED DUST

- a. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
- b. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- c. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

- B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

SILICA OR SILICA-RELATED DUST

- a. "Personal and advertising injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- b. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

- C. The following definitions are added to the Definitions Section:**

1. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
2. "Silica-related dust" means a mixture or combination of silica and other dust or particles.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – UNMANNED AIRCRAFT

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

- A. Exclusion 2.j. Aircraft Or Watercraft** under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

j. Aircraft Or Watercraft

(1) Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **j.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

(2) Aircraft (Other Than Unmanned Aircraft) Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **j.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **j.(2)** does not apply to:

- (a)** A watercraft while ashore on premises you own or rent;
- (b)** A watercraft you do not own that is:
 - (i)** Less than 50 feet long; and
 - (ii)** Not being used to carry persons or property for a charge;
- (c)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (d)** The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described in this Paragraph **j.(2)** exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described in this Paragraph **j.(2)** will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance; or

(e) Aircraft that is:

- (i) Chartered by, loaned to, or hired by you with a paid crew; and
- (ii) Not owned by any insured.

B. The following exclusion is added to Paragraph 2. **Exclusions of Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Unmanned Aircraft

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a. The use of another's advertising idea in your "advertisement"; or
- b. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

C. The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

- 1. Designed;
- 2. Manufactured; or
- 3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY – WITH LIMITED BODILY INJURY EXCEPTION

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

- A. Exclusion 2.t. of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

- t. **Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability**

Damages arising out of:

- (1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph (1) or (2) above.

However, unless Paragraph (1) above applies, this exclusion does not apply to damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

- B. The following is added to Paragraph 2. **Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PUBLIC OR LIVERY PASSENGER CONVEYANCE AND ON-DEMAND DELIVERY SERVICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

A. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

This insurance does not apply to:

**Public Or Livery Passenger Conveyance
And On-demand Services**

Any "covered auto" while being used:

- a. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a "covered auto" is being used by an insured who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the "covered auto"; or
- b. By an insured who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the "covered auto".

B. If Excess Uninsured and/or Underinsured Motorists Coverage is attached, then the following exclusion is added to Paragraph C.2.:

2. Additionally, this insurance does not apply to:

**Public Or Livery Passenger Conveyance
And On-demand Services**

Any "covered auto" while being used:

- a. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a "covered auto" is being used by an insured who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the "covered auto"; or

- b. By an insured who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the "covered auto".

C. Additional Definitions

As used in this endorsement:

1. "Delivery network platform" means an online-enabled application or digital network used to connect customers:
 - a. With drivers; or
 - b. With local vendors using drivers; for the purpose of providing prearranged "delivery services" for compensation. A "delivery network platform" does not include a "transportation network platform".
2. "Delivery services" includes courier services.
3. "Occupying" means in, upon, getting in, on, out or off.
4. "Transportation network platform" means an online-enabled application or digital network used to connect passengers with drivers using vehicles for the purpose of providing prearranged transportation services for compensation.

POLICY NUMBER: B010120

COMMERCIAL LIABILITY UMBRELLA
CU 22 31 09 18**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****AUTO DEALERS ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

SCHEDULE

Liability Coverage For Customers	
<input type="checkbox"/>	If an "X" is entered in this box, Paragraph B.2.b.(4) of Section I – Bodily Injury And Property Damage Liability of this endorsement does not apply.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

With respect to "underlying insurance" that is an Auto Dealers Coverage Form, the provisions of the Coverage Form are modified as follows:

Section I – Bodily Injury And Property Damage Liability**A. Exclusions**

Paragraph **2. Exclusions of Coverage A – Bodily Injury And Property Damage Liability** is revised as follows:

- Paragraph **o. Damage To Your Work** is replaced with the following:

o. Damage To Your Work

"Property damage" to "your work" if the "property damage" results from any part of the work itself or from the parts, materials or equipment used in connection with the work.

- The following exclusion is added:

Leased Autos

Any "covered auto" while leased or rented to others. But this exclusion does not apply to a "covered auto" you rent to one of your customers while his or her "auto" is left with you for service or repair.

B. Who Is An Insured

Paragraph **2. of Section II – Who Is An Insured** is replaced by the following:

- Only with respect to liability arising out of the ownership, maintenance or use of "covered autos":
 - You are an insured.

- Anyone else while using with your permission a "covered auto" you own, hire or borrow is also an insured except:

- The owner or anyone else from whom you hire or borrow a "covered auto". This exception does not apply if the "covered auto" is a trailer or semitrailer connected to a "covered auto" you own.
- Your "employee" if the "covered auto" is owned by that "employee" or a member of his or her household.
- Someone using a "covered auto" while he or she is working in a business of selling, servicing or repairing "autos" unless that business is yours.
- Your customers.
- A partner (if you are a partnership), or a member (if you are a limited liability company) for a "covered auto" owned by him or her or a member of his or her household.
- "Employees" with respect to "bodily injury" to:
 - Any fellow "employee" of the insured arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
 - The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph (a) above.

- c. Anyone liable for the conduct of an insured described above is also an insured, but only to the extent of that liability.
- d. Your "employee" while using a "covered auto" you do not own, hire or borrow in your business or your personal affairs.

Section II – Garagekeepers Coverage

Garagekeepers coverage is provided to the extent that valid "underlying insurance" for Garagekeepers coverage exists or would have existed but for the exhaustion of underlying limits for Garagekeepers coverage. The insurance provided under this Coverage Part will follow the same provisions, exclusions, and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance. To the extent such provisions differ or conflict, the provisions of this Coverage Part will apply. However, the coverage provided by this Coverage Part will not be broader than that provided by the applicable "underlying insurance".

Section III – Definitions

A. The following definitions are revised:

1. Paragraphs **f.** and **g.** of the "insured contract" definition are replaced by the following:
 - f.** That part of any contract or agreement entered into, as part of your "auto" dealership, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay "property damage" to any "auto" rented or leased by you or any of your "employees".
 - g.** That part of any other contract or agreement pertaining to your "auto" dealership (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
2. The "property damage" definition is replaced by the following:

"Property damage" means:

 - a.** Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

- b.** Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

With respect to the ownership, maintenance or use of "covered autos", "property damage" also includes "pollution cost or expense", but only to the extent that coverage exists under the "underlying insurance" or would have existed but for the exhaustion of the underlying limits.

3. The "your product" definition is replaced by the following:

"Your product" includes:

- a.** The goods or products made or sold in an "auto" dealership by:

(1) You; or

(2) An "auto" dealership you have acquired; and

- b.** The providing of or failure to provide warnings or instructions.

4. The "your work" definition is replaced by the following:

"Your work" includes:

- a.** Work that someone performed on your behalf; and

- b.** The providing of or failure to provide warnings or instructions.

5. The "products-completed operations hazard" definition does not apply.

B. The following definition is added:

"Auto dealer operations" means the ownership, maintenance or use of locations for an "auto" dealership and that portion of the roads or other accesses that adjoin these locations. "Auto dealer operations" also include all operations necessary or incidental to an "auto" dealership.

COMMERCIAL LIABILITY UMBRELLA
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO DEALERS BROAD FORM PRODUCTS COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

With respect to "underlying insurance" that is an Auto Dealers Coverage Form, Paragraph 2. **Exclusions of Coverage A – Bodily Injury And Property Damage Liability** is revised as follows:

Exclusion n. **Damage To Your Product** does not apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION – AUTO DEALERS ACTS, ERRORS OR
OMISSIONS LIABILITY COVERAGES**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

The Commercial Liability Umbrella Coverage Form does not apply to nor extend any coverage provided under Section III – Acts, Errors Or Omissions Liability Coverage of the Auto Dealers Coverage Form CA 00 25.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ASBESTOS OR ASBESTOS PRODUCTS

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

This insurance does not apply to:

“Bodily injury” or “property damage” arising out of the removal, manufacture, distribution, sale, installation, handling or disposal of asbestos or any product containing asbestos material.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**CONTRACTUAL LIABILITY
FOLLOWING FORM ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

Except to the extent coverage is available to you or the insured in the "underlying insurance," this insurance does not apply to any liability assumed under any written or oral contract or agreement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**YEAR 2000 COMPUTER-RELATED
AND OTHER ELECTRONIC PROBLEMS
FOLLOWING FORM ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

Except to the extent coverage is available to you or the insured in the "underlying insurance," this insurance does not apply to "bodily injury," "property damage" or "personal and advertising injury" arising directly or indirectly out of:

1. Any actual or alleged failure, malfunction or inadequacy of:

a. Any of the following, whether belonging to any insured or to others:

- (1)** Computer hardware, including microprocessors;
- (2)** Computer application software;
- (3)** Computer operating systems and related software;
- (4)** Computer networks;

(5) Microprocessors (computer chips) not part of any computer system; or

(6) Any other computerized or electronic equipment or components; or

b. Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **1.a.** of this endorsement

due to the inability to correctly recognize, process, distinguish, interpret or accept the year 2000 and beyond.

2. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **1.** of this endorsement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WHO IS AN INSURED LIMITATION

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

- A.** If Endorsement **CU 21 71, CU 21 72, CU 21 74, CU 21 81, CU 24 50** or **CU 24 51** is attached to the Policy, the following exclusion is added to Paragraph **2. Exclusions** under **Section I – Coverage A – Bodily Injury And Property Damage Liability**:

This insurance does not apply to:

Employees And Volunteer Workers

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft operated by any "employee" or "volunteer worker" in the course of his or her employment by the insured or while performing duties related to the conduct of the insured's business. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft that is operated by any "employee" or "volunteer worker".

This exclusion does not apply to:

- 1.** A watercraft while ashore on premises you own or rent;
- 2.** A watercraft you do not own that is:
 - a.** Less than 50 feet long; and
 - b.** Not being used to carry persons or property for a charge;
- 3.** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;

- 4.** The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance; or

- 5.** Aircraft that is:

- a.** Chartered by, loaned to, or hired by you with a paid crew; and
- b.** Not owned by any insured.

- B.** If Paragraph **A.** does not apply, Exclusion **2.j. Aircraft Or Watercraft** under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

This insurance does not apply to:

j. Aircraft Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft or watercraft:

- (1)** Owned or operated by or rented or loaned to any insured; or
- (2)** Operated by any "employee" or "volunteer worker" in the course of his or her employment by the insured or while performing duties related to the conduct of the insured's business.

Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft or watercraft that is owned or operated by or rented or loaned to any insured or operated by any "employee" or "volunteer worker". This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 50 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;

- (4) The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance; or

- (5) Aircraft that is:

- (a) Chartered by, loaned to, or hired by you with a paid crew; and
- (b) Not owned by any insured.

C. Paragraph 1.b. of Section II – Who Is An Insured does not apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

- A. The **Cancellation** Common Policy Condition is replaced by the following:**

Cancellation

1. The first Named Insured shown in the Declarations may cancel this Policy by mailing to us advance written notice of cancellation.
2. We may cancel this Policy by mailing to you written notice stating the reason for cancellation. If we cancel:
 - a. For nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.
 - b. For a reason other than nonpayment of premium, we will mail the notice at least:
 - (1) 30 days prior to the effective date of cancellation if the Policy has been in effect for 60 days or less.
 - (2) 60 days prior to the effective date of cancellation if the Policy has been in effect for more than 60 days.
3. If this Policy has been in effect for more than 60 days or is a renewal or continuation policy, we may cancel only for one or more of the following reasons:
 - a. Nonpayment of premium;
 - b. The Policy was obtained through a material misrepresentation;
 - c. Any insured has violated any of the terms and conditions of the Policy;
 - d. The risk originally accepted has measurably increased;
 - e. Certification to the Director of Insurance of the loss of reinsurance by the insurer that provided coverage to us for all or a substantial part of the underlying risk insured; or

- f. A determination by the Director of Insurance that the continuation of the Policy could place us in violation of the insurance laws of this State.

4. We will mail our notice to you, at your last mailing address known to us. Proof of mailing will be sufficient proof of notice.
 5. Notification of cancellation will also be sent to your broker, if known, or agent of record, if known.
 6. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
 7. If this Policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be less than pro rata. The cancellation will be effective even if we have not offered a refund.
- B. Condition 10. When We Do Not Renew is replaced by the following:**

10. When We Do Not Renew

- a. If we decide not to renew or continue this Policy, we will mail you written notice, stating the reason for nonrenewal, at least:
 - (1) 60 days before the end of the policy period for all policies other than that described in a.(2); or
 - (2) 30 days before the end of the policy period for all commercial excess and umbrella liability policies as defined in 215 ILL. COMP. STAT. 143.13.(h). The nonrenewal shall not become effective until at least 30 days from the proof of mailing date of the notice to you.

- b. Proof of mailing will be sufficient proof of notice.
- c. Notification of nonrenewal will also be sent to your broker, if known, or agent of record, if known.
- d. If we offer to renew or continue and you do not accept, this Policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.
- e. If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this Policy will end on the effective date of that insurance.

- (2) whose aggregate annual premiums for all property and casualty insurance on all risks is at least \$50,000.

For the purposes of Paragraph **a.(2)**, commercial excess and umbrella liability policies are defined in 215 ILL. COMP. STAT. 143.13.(h) as follows:

- (h) "Commercial excess and umbrella liability policy" means a policy written over one or more underlying policies for an insured:
 - (1) that has at least 25 full-time employees at the time the commercial excess and umbrella liability policy is written and procures the insurance of any risk or risks, other than life, accident and health, and annuity contracts, as described in clauses (a) and (b) of Class 1 of Section 4 and clause (a) of Class 2 of Section 4, by use of the services of a full-time employee acting as an insurance manager or buyer; or

COMMERCIAL LIABILITY UMBRELLA
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – POLLUTION EXCLUSION – HOSTILE FIRE EXCEPTION

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

The following is added to Exclusion i. under Paragraph 2., **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

Paragraph (1) of this exclusion does not apply to "bodily injury" or "property damage" arising out of heat, smoke or fumes from a hostile fire unless that hostile fire occurred or originated:

- (a) At any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste; or

- (b) At any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of, "pollutants".

Hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.

ENDORSEMENT



Endorsement

Policy Change Summary Declarations**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

12778

Changes have been made to the above policy at your request or at the request of your agent.

Below is a summary of the changes to the Coverage(s) that are impacted. All other terms, conditions, exclusions and provisions of the policy remain the same.

To view a complete copy of your policy, visit us at <http://insured.thesilverlining.com> or on the West Bend mobile app.

To request a complete copy of your policy, please email CustomerService@wbmi.com.

Effective Date of Change: 12/01/2022
Coverage Part and Description of Change

Coverage Part**Commercial Auto Coverage**

Modified:

Exposures per Audit

Summary

The above changes result in the following Total Net Premium Change
(Including Taxes, Fees, and Surcharges)

Net Additional Premium:

\$7,660.00

This is not a bill.

Any premium changes will be reflected on your next scheduled invoice.



Endorsement

Commercial Lines Policy Declaration**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.

This policy consists of the following coverage parts for which a premium is indicated. This premium may be subject to adjustment.

Coverage Part	Premium
Commercial Property Coverage	\$8,178.00
Commercial Auto Coverage	\$24,741.00
Commercial Liability Umbrella Coverage	\$2,081.00
Total Premium:	\$35,000.00
Total Including Taxes, Fees and Surcharges:	\$35,000.00

This is not a bill. A billing invoice will be sent separately.

See attached schedule for forms applicable to all coverage parts.



West Bend Mutual Insurance Company
1900 S. 18th Ave. | West Bend, WI 53095

Endorsement

Commercial Lines Policy Declaration**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

12778

Named Insured Schedule

Siglers Automotive and Body Shop, Inc

Specialty Vehicle Sales, Inc



Endorsement

Commercial Lines Policy Declarations**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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Location Schedule

Loc	Address	City	County	State	Zip
1	7445 Channel Rd	Skokie	Cook	IL	60076
2	7501 Channel Rd/3215 Birchwood	Skokie	Cook	IL	60076



Endorsement

Commercial Lines Policy Declarations**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

12778

Forms Schedule

Number	Edition	Description
IL0952Z	0115	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
IL0985	1220	DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT
WB214	0119	MEMBERSHIP AND VOTING NOTICE
IL0935Z	0702	EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES
IL0017Z	1198	COMMON POLICY CONDITIONS
IL0118	0217	ILLINOIS CHANGES
IL0162	1013	ILLINOIS CHANGES - DEFENSE COSTS
IL0284	0118	ILLINOIS CHANGES - CANCELLATION AND NONRENEWAL
IL0021	0908	NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (BROAD FORM)
IL0147	0911	ILLINOIS CHANGES - CIVIL UNION

IL 09 52 Z 01 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 EQUIPMENT BREAKDOWN COVERAGE PART
 FARM COVERAGE PART
 STANDARD PROPERTY POLICY

A. Cap On Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

B. Application Of Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

West Bend Mutual Insurance Company
 West Bend, Wisconsin 53095

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Page 1 of 1



IL 09 85 12 20

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

SCHEDULE – PART I

Additional information, if any, concerning the terrorism premium:

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part II of the Schedule of this endorsement or in the policy Declarations) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

C. Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

MEMBERSHIP AND VOTING NOTICE

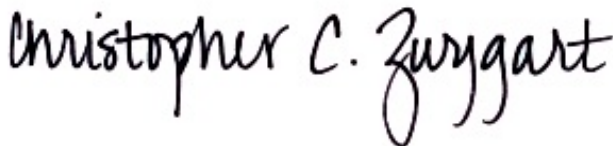
MUTUALS – MEMBERSHIP AND VOTING NOTICE

The named insured is notified that by virtue of this policy, the named insured is a member of the West Bend Mutual Insurance Company of West Bend, Wisconsin and is entitled to vote either in person or by proxy at any and all meetings of said Company. The Annual Meetings are held in its Home Office, on the second Tuesday of March commencing in 2007 and each year thereafter, at 10:00 a.m.

MUTUALS – PARTICIPATION CLAUSE WITH CONTINGENT LIABILITY

No Contingent Liability: This policy is nonassessable. The policyholder is a member of the company and shall participate, to the extent and upon the conditions fixed and determined by the Board of Directors in accordance with the provisions of law, in the distribution of dividends so fixed and determined.

In Witness Whereof, we have caused this policy to be executed and attested.



Christopher C. Zwygart
Secretary



Kevin A. Steiner
President and Chief Executive Officer

West Bend Mutual Insurance Company
1900 S. 18th Avenue
West Bend, WI 53095
800-236-5010

IL 09 35 Z 07 02

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
 CRIME AND FIDELITY COVERAGE PART
 STANDARD PROPERTY POLICY

- A.** We will not pay for loss ("loss") or damage caused directly or indirectly by the following. Such loss ("loss") or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss ("loss") or damage.
- 1.** The failure, malfunction or inadequacy of:
 - a.** Any of the following, whether belonging to any insured or to others:
 - (1)** Computer hardware, including micro-processors;
 - (2)** Computer application software;
 - (3)** Computer operating systems and related software;
 - (4)** Computer networks;
 - (5)** Microprocessors (computer chips) not part of any computer system; or
 - (6)** Any other computerized or electronic equipment or components; or
 - b.** Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **A.1.a.** of this endorsement;

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.
 - 2.** Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **A.1.** of this endorsement.
- B.** If an excluded Cause of Loss as described in Paragraph **A.** of this endorsement results:
- 1.** In a Covered Cause of Loss under the Crime and Fidelity Coverage Part or the Standard Property Policy; or
 - 2.** Under the Commercial Property Coverage Part:
 - a.** In a "Specified Cause of Loss", or in elevator collision resulting from mechanical breakdown, under the Causes of Loss – Special Form; or
 - b.** In a Covered Cause of Loss under the Causes Of Loss – Basic Form or the Causes Of Loss – Broad Form;

we will pay only for the loss ("loss") or damage caused by such "Specified Cause of Loss", elevator collision, or Covered Cause of Loss.
- C.** We will not pay for repair, replacement or modification of any items in Paragraphs **A.1.a.** and **A.1.b.** of this endorsement to correct any deficiencies or change any features.

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy (except Businessowners and Inland Marine) are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and
- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

West Bend Mutual Insurance Company
West Bend, Wisconsin 53095

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**ILLINOIS CHANGES**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 FARM COVERAGE PART
 STANDARD PROPERTY POLICY

A. When this endorsement is attached to Standard Property Policy **CP 00 99**, the terms Coverage Part and Coverage Form in this endorsement are replaced by the term Policy.

B. The following is added to the **Legal Action Against Us** Condition:

The two year period for legal action against us is extended by the number of days between the date the proof of loss is filed with us and the date we deny the claim in whole or in part.

C. If this policy covers:

1. The following in **a.** and **b.**, then Paragraphs **2.** and **3.** apply:

- a.** Real property used principally for residential purposes up to and including a four family dwelling; or
- b.** Household or personal property that is usual or incidental to the occupancy of any premises used for residential purposes.

2. The second paragraph of the **Appraisal** Condition is deleted and replaced by the following:

- a.** Each party will pay its own appraiser and bear the other expenses of the appraisal and umpire equally, except as provided in **b.** below.
- b.** We will pay your appraiser's fee and the umpire's appraisal fee, if the following conditions exist:
 - (1)** You demanded the appraisal; and
 - (2)** The full amount of loss, as set by your appraiser, is agreed to by our appraiser or by the umpire.

3. The **Concealment, Misrepresentation Or Fraud** Condition is replaced by the following:

Concealment, Misrepresentation Or Fraud

a. This Coverage Part or Coverage Form is void if you or any insured ("insured") commit fraud or conceal or misrepresent a fact in the process leading to the issuance of this insurance, and such fraud, concealment or misrepresentation is stated in the policy or endorsement or in the written application for this policy and:

- (1)** Was made with actual intent to deceive; or
- (2)** Materially affected either our decision to provide this insurance or the hazard we assumed.

However, this condition will not serve as a reason to void this Coverage Part or Coverage Form after the Coverage Part or Coverage Form has been in effect for one year or one policy term, whichever is less.

b. We do not provide coverage under this Coverage Part or Coverage Form to you or any other insured ("insured") who, at any time subsequent to the issuance of this insurance, commit fraud or intentionally conceal or misrepresent a material fact relating to:

- (1)** This Coverage Part or Coverage Form;
- (2)** The Covered Property;
- (3)** Your interest in the Covered Property; or
- (4)** A claim under this Coverage Part or Coverage Form.

c. Notwithstanding the limitations stated in **3.a.** above, we may cancel the Coverage Part or Coverage Form in accordance with the terms of the Cancellation Condition.

D. For the Commercial Property Coverage Part and the Standard Property Policy, the following exclusion and related provisions are added to Paragraph B.2. Exclusions in the Causes of Loss Forms and to any Coverage Form or policy to which a Causes of Loss Form is not attached:

1. We will not pay for loss or damage arising out of any act an insured commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no insured is entitled to coverage, even insureds who did not commit or conspire to commit the act causing the loss.

2. However, this exclusion will not apply to deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if:

- a. The loss arose out of a pattern of criminal domestic violence; and
- b. The perpetrator of the loss is criminally prosecuted for the act causing the loss.

3. If we pay a claim pursuant to Paragraph D.2., our payment to the insured is limited to that insured's insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

E. The **Intentional Loss Exclusion** in the Causes of Loss Form – Farm Property, Mobile Agricultural Machinery And Equipment Coverage Form and Livestock Coverage Form is replaced by the following:

1. We will not pay for loss ("loss") or damage arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss ("loss").

In the event of such loss ("loss"), no "insured" is entitled to coverage, even "insureds" who did not commit or conspire to commit the act causing the loss ("loss").

2. However, this exclusion will not apply to deny payment to an innocent co-"insured" who did not cooperate in or contribute to the creation of the loss ("loss") if:

- a. The loss ("loss") arose out of a pattern of criminal domestic violence; and
- b. The perpetrator of the loss ("loss") is criminally prosecuted for the act causing the loss.

3. If we pay a claim pursuant to Paragraph E.2., our payment to the "insured" is limited to that "insured's" insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

F. The **Intentional Loss Exclusion** in the Capital Assets Program (Output Policy) Coverage Part, is replaced by the following:

1. We will not pay for loss or damage arising out of any act an insured commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no insured is entitled to coverage, even insureds who did not commit or conspire to commit the act causing the loss.

2. However, this exclusion will not apply to deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if:

- a. The loss arose out of a pattern of criminal domestic violence; and
- b. The perpetrator of the loss is criminally prosecuted for the act causing the loss.

3. If we pay a claim pursuant to Paragraph F.2., our payment to the insured is limited to that insured's insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

IL 01 62 10 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**ILLINOIS CHANGES – DEFENSE COSTS**

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
 COMMERCIAL GENERAL LIABILITY COVERAGE PART
 COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART – LEGAL LIABILITY COVERAGE FORM
 COMMERCIAL PROPERTY COVERAGE PART – MORTGAGEHOLDERS ERRORS AND OMISSIONS COVERAGE FORM
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
 FARM COVERAGE PART
 FARM UMBRELLA LIABILITY POLICY
 LIQUOR LIABILITY COVERAGE PART
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
 POLLUTION LIABILITY COVERAGE PART
 PRODUCT WITHDRAWAL COVERAGE PART
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
 RAILROAD PROTECTIVE LIABILITY COVERAGE PART
 UNDERGROUND STORAGE TANK COVERAGE PART

A. The provisions of Paragraph **B.** are added to all Insuring Agreements that set forth a duty to defend under:

1. Section **I** of the Commercial General Liability, Commercial Liability Umbrella, Employment-related Practices Liability, Farm, Liquor Liability, Owners And Contractors Protective Liability, Pollution Liability, Products/Completed Operations Liability, Product Withdrawal, Medical Professional Liability, Railroad Protective Liability, Underground Storage Tank Coverage Parts, Auto Dealers Coverage Form and the Farm Umbrella Liability Policy;
2. Section **II** under the Auto Dealers, Business Auto and Motor Carrier Coverage Forms;
3. Section **III** under the Auto Dealers and Motor Carrier Coverage Forms;
4. Section **A.** Coverage under the Legal Liability Coverage Form; and

5. Coverage **C** – Mortgageholder's Liability under the Mortgageholders Errors And Omissions Coverage Form.

Paragraph **B.** also applies to any other provision in the policy that sets forth a duty to defend.

B. If we initially defend an insured ("insured") or pay for an insured's ("insured's") defense but later determine that the claim(s) is (are) not covered under this insurance, we will have the right to reimbursement for the defense costs we have incurred.

The right to reimbursement for the defense costs under this provision will only apply to defense costs we have incurred after we notify you in writing that there may not be coverage, and that we are reserving our rights to terminate the defense and seek reimbursement for defense costs.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
FARM COVERAGE PART

- A.** The **Cancellation** Common Policy Condition is replaced by the following:

Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing to us advance written notice of cancellation.
2. If this policy has been in effect for 60 days or less, except as provided in Paragraphs **8.** and **9.** below, we may cancel this policy by mailing written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. If this policy has been in effect for more than 60 days, except as provided in Paragraphs **8.** and **9.** below, we may cancel this policy only for one or more of the following reasons:
 - a. Nonpayment of premium;
 - b. The policy was obtained through a material misrepresentation;
 - c. You have violated any of the terms and conditions of the policy;
 - d. The risk originally accepted has measurably increased;
 - e. Certification to the Director of Insurance of the loss of reinsurance by the insurer which provided coverage to us for all or a substantial part of the underlying risk insured; or

- f. A determination by the Director that the continuation of the policy could place us in violation of the insurance laws of this State.

If we cancel this policy based on one or more of the above reasons except for nonpayment of premium, we will mail written notice at least 60 days before the effective date of cancellation. When cancellation is for nonpayment of premium, we will mail written notice at least 10 days before the effective date of cancellation.

4. We will mail our notice to you, together with our reason for cancellation, at your last mailing address known to us. Proof of mailing will be sufficient proof of notice.
5. Notification of cancellation will also be sent to your broker, if known, or agent of record, if known, and to the mortgagee or lienholder listed on the policy.
6. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
7. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

8. Real Property Other Than Residential Properties Occupied By Four Families Or Less

The following applies only if this policy covers real property other than residential property occupied by four families or less:

If any one or more of the following conditions exists at any building that is Covered Property in this policy, we may cancel this policy by mailing to you written notice of cancellation, by both certified and regular mail, if:

- a. After a fire loss, permanent repairs to the building have not started within 60 days of satisfactory adjustment of loss, unless the delay is due to a labor dispute or weather conditions.
- b. The building has been unoccupied 60 or more consecutive days. This does not apply to:
 - (1) Seasonal unoccupancy; or
 - (2) Buildings under repair, construction or reconstruction, if properly secured against unauthorized entry.
- c. The building has:
 - (1) An outstanding order to vacate;
 - (2) An outstanding demolition order; or
 - (3) Been declared unsafe in accordance with the law.
- d. Heat, water, sewer service or public lighting have not been connected to the building for 30 consecutive days or more.

The policy will terminate 10 days following receipt of the written notice by the named insured(s).

9. Residential Properties Occupied By Four Families Or Less

The following applies if this policy covers residential properties occupied by four families or less:

If this policy has been in effect for 60 days, or if this is a renewal policy, we may only cancel this policy for one or more of the following reasons:

- a. Nonpayment of premium;
- b. The policy was obtained by misrepresentation or fraud; or
- c. Any act that measurably increases the risk originally accepted.

If we cancel this policy based on one or more of the above reasons except for nonpayment of premium, we will mail written notice at least 30 days before the effective date of cancellation. When cancellation is for nonpayment of premium, we will mail written notice at least 10 days before the effective date of cancellation.

10. For insurance provided under the Commercial Property Coverage Part and the Capital Assets Program (Output Policy) Coverage Part, the following applies:

Grain In Public Grain Warehouses

(Not applicable to grain owned by the Commodity Credit Corporation)

The following applies only with respect to grain in public grain warehouses:

The first Named Insured or we may cancel this policy at any time by mailing to:

- a. The other; and
 - b. The Director of the Illinois Department of Agriculture (at its Springfield Office);
- 60 days' written notice of cancellation.

- B. The following is added:

Nonrenewal

1. If we decide not to renew or continue this policy, we will mail you written notice, stating the reason for nonrenewal. Proof of mailing will be sufficient proof of notice.
2. Except as provided in Paragraph 6. below, we will mail you notice of nonrenewal at least 60 days before the end of the policy period.
3. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.
4. If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this policy will end on the effective date of that insurance.
5. The following provision applies to policies other than those described in Paragraph 6.:

Notification of nonrenewal will also be sent to your broker, if known, or agent of record, if known, and the mortgagee or lienholder listed on the policy.

6. The following provision applies only if this policy covers residential properties occupied by four families or less:

a. If this policy has been issued to you and in effect with us for five or more years, we may not fail to renew this policy unless:

(1) The policy was obtained by misrepresentation or fraud and we mail you notice of nonrenewal at least 30 days before the end of the policy period as provided in 1. above;

(2) The risk originally accepted has measurably increased and we mail you notice of nonrenewal at least 30 days before the end of the policy period as provided in 1. above; or

(3) You received 60 days' notice of our intent not to renew as provided in 1. above.

b. If this policy has been issued to you and in effect with us for less than five years, we may not fail to renew this policy unless you received 30 days' notice as provided in 1. above.

c. Notification of nonrenewal will also be sent to your broker, if known, or agent of record, if known, and to the last known mortgagee or lienholder.

d. The nonrenewal shall not become effective until at least 30 days from the proof of mailing date of the notice to you.

IL 00 21 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

- (1)** With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2)** Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

- (1)** The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;
- (2)** The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
- (3)** The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

(c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

IL 01 47 09 11

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – CIVIL UNION

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
FARM COVERAGE PART
FARM UMBRELLA LIABILITY POLICY
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

A. The term "spouse" is replaced by the following:

Spouse or party to a civil union recognized under Illinois law.

B. Under the Commercial Auto Coverage Part, the term "family member" is replaced by the following:

"Family member" means a person related to the:

1. Individual Named Insured by blood, adoption, marriage or civil union recognized under Illinois law, who is a resident of such Named Insured's household, including a ward or foster child; or
2. Individual named in the Schedule by blood, adoption, marriage or civil union recognized under Illinois law, who is a resident of the individual's household, including a ward or foster child, if the Drive Other Car Coverage – Broadened Coverage For Named Individual Endorsement is attached.

C. With respect to coverage for the ownership, maintenance, or use of "covered autos" provided under the Commercial Liability Umbrella Coverage Part, the term "family member" is replaced by the following:

"Family member" means a person related to you by blood, adoption, marriage or civil union recognized under Illinois law, who is a resident of your household, including a ward or foster child.



West Bend Mutual Insurance Company
1900 S. 18th Ave. | West Bend, WI 53095

Endorsement

Commercial Property Coverage Declarations

Customer Number: 1000122645

Policy Period: 12/01/2022 to 12/01/2023

Policy Number: B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

12778

Description of Location or Premises

Loc	Bldg	Building and Occupancy Description	Construction	Protection Class
1	1	Building #1 - Shop [0932] Automobile Repair or Service Shops - Auto glass replacement, battery replacement, brake adjustment, tire changing, tune ups (points, plugs and carburetor adjustment) oil changing, lubrications, speedometer adjustments and similar services.	Joisted Masonry	01
2	1	Building #1 - Shop/Storage/Office [0932] Automobile Repair or Service Shops - Auto glass replacement, battery replacement, brake adjustment, tire changing, tune ups (points, plugs and carburetor adjustment) oil changing, lubrications, speedometer adjustments and similar services.	Masonry Non-Combustible	01



Endorsement

Commercial Property Coverage Declarations**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

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Commercial Property Coverage Schedule

Loc	Bldg	Type	Limit of Insurance	Coinsurance	Cause Of Loss	Premium
1	1	Building	\$1,060,400	100%	Special	\$1,509
		Replacement Cost				
		Agreed Value				
		Agreed Value Expiration Date:				
		12/01/2023				
		Deductible - \$5,000				
Loc	Bldg	Type	Limit of Insurance	Coinsurance	Cause Of Loss	Premium
1	1	Business Personal Property	\$92,000	100%	Special	\$333
		Replacement Cost				
		Agreed Value				
		Agreed Value Expiration Date:				
		12/01/2023				
		Deductible - \$5,000				
Loc	Bldg	Type	Limit of Insurance	Coinsurance	Cause Of Loss	Premium
1	1	Business Income Including Rental Value & Extra Expense - Not to Exceed 12 Consecutive Months	Actual Loss Sustained	Waived	Special	\$293
		Time Period - no waiting				
		Extended Period of Indemnity - 90 Days				
		Ordinance or Law - Increased Period of Restoration				



Endorsement

Commercial Property Coverage Declarations**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

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Loc	Bldg	Type	Limit of Insurance	Coinsurance	Cause Of Loss	Premium
2	1	Building	\$3,747,347	100%	Special	\$3,095

Replacement Cost

Agreed Value

Agreed Value Expiration Date:
12/01/2023

Deductible - \$5,000

Loc	Bldg	Type	Limit of Insurance	Coinsurance	Cause Of Loss	Premium
2	1	Business Personal Property	\$250,000	100%	Special	\$637

Replacement Cost

Agreed Value

Agreed Value Expiration Date:
12/01/2023

Deductible - \$5,000

Loc	Bldg	Type	Limit of Insurance	Coinsurance	Cause Of Loss	Premium
2	1	Business Income Including Rental Value & Extra Expense - Not to Exceed 12 Consecutive Months	Actual Loss Sustained	Waived	Special	\$546

Time Period - no waiting

Extended Period of Indemnity - 90
Days

Ordinance or Law - Increased
Period of Restoration

See attached Forms Schedule for forms and endorsements applicable to this coverage.



Endorsement

Commercial Property Endorsements and Miscellaneous Premiums**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076**Agency Name and Address:**ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
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Endorsements – Applicable to All Locations

Description	Form Number	Premium
Equipment Breakdown	WB34	\$491
Property Additional Coverages and Coverage Extensions Endorsement – Essential	WB2906	\$450
Cyber Suite	WB2843	\$294
Water Backup, Sump Pump Overflow	WB1337	\$250

Endorsements – Applicable to a Specific Location

Loc	Bldg	Description	Form Number	Premium
1	1	Utility Services - Time Element	CP1545	Included
2	1	Utility Services - Time Element	CP1545	Included

Miscellaneous Premiums

Description	Form Number	Premium
Terrorism Risk Insurance Act		\$280
Terrorism Risk Insurance Act (Fire Only)		\$162
Total Commercial Property Premium:		\$8,178

See attached Forms Schedule for forms and endorsements applicable to this coverage.



West Bend Mutual Insurance Company
1900 S. 18th Ave. | West Bend, WI 53095

Endorsement

Commercial Property Additional Interest Schedule

Customer Number: 1000122645

Policy Number: B010120 05

Policy Period: 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
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OAK BROOK, IL 60523
630-468-5400

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Additional Interest Schedule

Loc	Name and Address	Reference/Loan Number	Interest
2	St. Charles Bank & Trust 411 W Main St Saint Charles, IL 60174-1815		Mortgageholder



Endorsement

Commercial Property Forms Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

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Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
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Forms Schedule

Number	Edition	Description
CP0010	1012	BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CP0030	1012	BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
CP0090	0788	COMMERCIAL PROPERTY CONDITIONS
CP0140	0706	EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA
CP0401	1000	BRANDS AND LABELS
CP1030	0917	CAUSES OF LOSS - SPECIAL FORM
CP1075	1220	CYBER INCIDENT EXCLUSION
CP1218	1012	LOSS PAYABLE PROVISIONS
CP1531	0917	ORDINANCE OR LAW - INCREASED PERIOD OF RESTORATION
CP1545	0917	UTILITY SERVICES - TIME ELEMENT
CP1556	0607	BUSINESS INCOME CHANGES - BEGINNING OF THE PERIOD OF RESTORATION
WB1337	0118	WATER BACK UP, SUMP PUMP OVERFLOW
WB2186	1205	BUSINESS INCOME COVERAGE - ACTUAL LOSS SUSTAINED (TWELVE MONTH LIMITATION)
WB2906	1220	PROPERTY ADDITIONAL COVERAGES AND COVERAGE EXTENSIONS ENDORSEMENT
WB34	0118	EQUIPMENT BREAKDOWN COVERAGE ENDORSEMENT



Endorsement

Commercial Property Forms Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

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Forms Schedule

Number	Edition	Description
WB539	0414	AUTOMATIC BUILDING VALUE INCREASE
WB898	0118	YOUR BUSINESS PERSONAL PROPERTY AMENDMENT TENANT GLASS
WB2843	0819	CYBER SUITE COVERAGE ENDORSEMENT (CLAIMS-MADE THIRD PARTY)
CP0149	0607	ILLINOIS CHANGES - ARTIFICIALLY GENERATED ELECTRICAL CURRENT EXCLUSION
WB2844	0819	ILLINOIS CHANGES AMENDATORY ENDORSEMENT

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section H. Definitions.

A. Coverage

We will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.

1. Covered Property

Covered Property, as used in this Coverage Part, means the type of property described in this section, **A.1.**, and limited in **A.2.** Property Not Covered, if a Limit Of Insurance is shown in the Declarations for that type of property.

a. Building, meaning the building or structure described in the Declarations, including:

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures;
- (3) Permanently installed:
 - (a) Machinery; and
 - (b) Equipment;
- (4) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:
 - (a) Fire-extinguishing equipment;
 - (b) Outdoor furniture;
 - (c) Floor coverings; and
 - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- (5) If not covered by other insurance:
 - (a) Additions under construction, alterations and repairs to the building or structure;
 - (b) Materials, equipment, supplies and temporary structures, on or within 100 feet of the described premises, used for making additions, alterations or repairs to the building or structure.

b. Your Business Personal Property

consists of the following property located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or structure or within 100 feet of the premises described in the Declarations, whichever distance is greater:

- (1) Furniture and fixtures;
- (2) Machinery and equipment;
- (3) "Stock";
- (4) All other personal property owned by you and used in your business;
- (5) Labor, materials or services furnished or arranged by you on personal property of others;
- (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - (a) Made a part of the building or structure you occupy but do not own; and
 - (b) You acquired or made at your expense but cannot legally remove;
- (7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property Of Others.

c. Personal Property Of Others that is:

- (1) In your care, custody or control; and
- (2) Located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or structure or within 100 feet of the premises described in the Declarations, whichever distance is greater.

However, our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

2. Property Not Covered

Covered Property does not include:

- a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;
- b. Animals, unless owned by others and boarded by you, or if owned by you, only as "stock" while inside of buildings;
- c. Automobiles held for sale;
- d. Bridges, roadways, walks, patios or other paved surfaces;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. The cost of excavations, grading, backfilling or filling;
- g. Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - (1) The lowest basement floor; or
 - (2) The surface of the ground, if there is no basement;
- h. Land (including land on which the property is located), water, growing crops or lawns (other than lawns which are part of a vegetated roof);
- i. Personal property while airborne or waterborne;
- j. Bulkheads, pilings, piers, wharves or docks;
- k. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
- l. Retaining walls that are not part of a building;
- m. Underground pipes, flues or drains;
- n. Electronic data, except as provided under the Additional Coverage, Electronic Data. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data. This paragraph, n., does not apply to your "stock" of prepackaged software, or to electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system;
- o. The cost to replace or restore the information on valuable papers and records, including those which exist as electronic data. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valuable Papers And Records (Other Than Electronic Data) for limited coverage for valuable papers and records other than those which exist as electronic data;
- p. Vehicles or self-propelled machines (including aircraft or watercraft) that:
 - (1) Are licensed for use on public roads; or
 - (2) Are operated principally away from the described premises.

This paragraph does not apply to:

 - (a) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;

- (b) Vehicles or self-propelled machines, other than autos, you hold for sale;
 - (c) Rowboats or canoes out of water at the described premises; or
 - (d) Trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers; or
- q. The following property while outside of buildings:
- (1) Grain, hay, straw or other crops;
 - (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), all except as provided in the Coverage Extensions.

3. Covered Causes Of Loss

See applicable Causes Of Loss form as shown in the Declarations.

4. Additional Coverages

a. Debris Removal

- (1) Subject to Paragraphs (2), (3) and (4), we will pay your expense to remove debris of Covered Property and other debris that is on the described premises, when such debris is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
 - (2) Debris Removal does not apply to costs to:
 - (a) Remove debris of property of yours that is not insured under this policy, or property in your possession that is not Covered Property;
 - (b) Remove debris of property owned by or leased to the landlord of the building where your described premises are located, unless you have a contractual responsibility to insure such property and it is insured under this policy;
 - (c) Remove any property that is Property Not Covered, including property addressed under the Outdoor Property Coverage Extension;
 - (d) Remove property of others of a type that would not be Covered Property under this Coverage Form;
 - (e) Remove deposits of mud or earth from the grounds of the described premises;
 - (f) Extract "pollutants" from land or water; or
 - (g) Remove, restore or replace polluted land or water.
- (3) Subject to the exceptions in Paragraph (4), the following provisions apply:
- (a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
 - (b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage. However, if no Covered Property has sustained direct physical loss or damage, the most we will pay for removal of debris of other property (if such removal is covered under this Additional Coverage) is \$5,000 at each location.
- (4) We will pay up to an additional \$25,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:
- (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
 - (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if (4)(a) and/or (4)(b) applies, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$25,000.

(5) Examples

The following examples assume that there is no Coinsurance penalty.

Example 1

Limit of Insurance:	\$ 90,000
Amount of Deductible:	\$ 500
Amount of Loss:	\$ 50,000
Amount of Loss Payable:	\$ 49,500
	(\$50,000 – \$500)
Debris Removal Expense:	\$ 10,000
Debris Removal Expense Payable:	\$ 10,000
	(\$10,000 is 20% of \$50,000.)

The debris removal expense is less than 25% of the sum of the loss payable plus the deductible. The sum of the loss payable and the debris removal expense (\$49,500 + \$10,000 = \$59,500) is less than the Limit of Insurance. Therefore, the full amount of debris removal expense is payable in accordance with the terms of Paragraph (3).

Example 2

Limit of Insurance:	\$ 90,000
Amount of Deductible:	\$ 500
Amount of Loss:	\$ 80,000
Amount of Loss Payable:	\$ 79,500
	(\$80,000 – \$500)
Debris Removal Expense:	\$ 40,000
Debris Removal Expense Payable	
Basic Amount:	\$ 10,500
Additional Amount:	\$ 25,000

The basic amount payable for debris removal expense under the terms of Paragraph (3) is calculated as follows: \$80,000 (\$79,500 + \$500) x .25 = \$20,000, capped at \$10,500. The cap applies because the sum of the loss payable (\$79,500) and the basic amount payable for debris removal expense (\$10,500) cannot exceed the Limit of Insurance (\$90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense (\$40,000) exceeds 25% of the loss payable plus the deductible (\$40,000 is 50% of \$80,000), and because the sum of the loss payable and debris removal expense (\$79,500 + \$40,000 = \$119,500) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$25,000, the maximum payable under Paragraph (4). Thus, the total payable for debris removal expense in this example is \$35,500; \$4,500 of the debris removal expense is not covered.

b. Preservation Of Property

If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the loss or damage occurs within 30 days after the property is first moved.

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$1,000 for service at each premises described in the Declarations, unless a higher limit is shown in the Declarations. Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

This Additional Coverage applies to your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

No Deductible applies to this Additional Coverage.

d. Pollutant Clean-up And Removal

We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each described premises is \$10,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

e. Increased Cost Of Construction

- (1) This Additional Coverage applies only to buildings to which the Replacement Cost Optional Coverage applies.
- (2) In the event of damage by a Covered Cause of Loss to a building that is Covered Property, we will pay the increased costs incurred to comply with the minimum standards of an ordinance or law in the course of repair, rebuilding or replacement of damaged parts of that property, subject to the limitations stated in **e.(3)** through **e.(9)** of this Additional Coverage.
- (3) The ordinance or law referred to in **e.(2)** of this Additional Coverage is an ordinance or law that regulates the construction or repair of buildings or establishes zoning or land use requirements at the described premises and is in force at the time of loss.
- (4) Under this Additional Coverage, we will not pay any costs due to an ordinance or law that:
 - (a) You were required to comply with before the loss, even when the building was undamaged; and
 - (b) You failed to comply with.

(5) Under this Additional Coverage, we will not pay for:

- (a) The enforcement of or compliance with any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
 - (b) Any costs associated with the enforcement of or compliance with an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.
- (6) The most we will pay under this Additional Coverage, for each described building insured under this Coverage Form, is \$10,000 or 5% of the Limit of Insurance applicable to that building, whichever is less. If a damaged building is covered under a blanket Limit of Insurance which applies to more than one building or item of property, then the most we will pay under this Additional Coverage, for that damaged building, is the lesser of \$10,000 or 5% times the value of the damaged building as of the time of loss times the applicable Coinsurance percentage.
- The amount payable under this Additional Coverage is additional insurance.
- (7) With respect to this Additional Coverage:
- (a) We will not pay for the Increased Cost of Construction:
 - (i) Until the property is actually repaired or replaced at the same or another premises; and
 - (ii) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

(b) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of **e.(6)** of this Additional Coverage, is the increased cost of construction at the same premises.

(c) If the ordinance or law requires relocation to another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of **e.(6)** of this Additional Coverage, is the increased cost of construction at the new premises.

(8) This Additional Coverage is not subject to the terms of the Ordinance Or Law Exclusion to the extent that such Exclusion would conflict with the provisions of this Additional Coverage.

(9) The costs addressed in the Loss Payment and Valuation Conditions and the Replacement Cost Optional Coverage, in this Coverage Form, do not include the increased cost attributable to enforcement of or compliance with an ordinance or law. The amount payable under this Additional Coverage, as stated in **e.(6)** of this Additional Coverage, is not subject to such limitation.

f. Electronic Data

(1) Under this Additional Coverage, electronic data has the meaning described under Property Not Covered, Electronic Data. This Additional Coverage does not apply to your "stock" of prepackaged software, or to electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system.

(2) Subject to the provisions of this Additional Coverage, we will pay for the cost to replace or restore electronic data which has been destroyed or corrupted by a Covered Cause of Loss. To the extent that electronic data is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the electronic data was stored, with blank media of substantially identical type.

(3) The Covered Causes of Loss applicable to Your Business Personal Property apply to this Additional Coverage, Electronic Data, subject to the following:

(a) If the Causes Of Loss – Special Form applies, coverage under this Additional Coverage, Electronic Data, is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.

(b) If the Causes Of Loss – Broad Form applies, coverage under this Additional Coverage, Electronic Data, includes Collapse as set forth in that form.

(c) If the Causes Of Loss form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage, Electronic Data.

(d) The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for loss or damage caused by or resulting from manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.

- (4) The most we will pay under this Additional Coverage, Electronic Data, is \$2,500 (unless a higher limit is shown in the Declarations) for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

5. Coverage Extensions

Except as otherwise provided, the following Extensions apply to property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

If a Coinsurance percentage of 80% or more, or a Value Reporting period symbol, is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

a. Newly Acquired Or Constructed Property

(1) Buildings

If this policy covers Building, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at locations, other than the described premises, intended for:
 - (i) Similar use as the building described in the Declarations; or
 - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$250,000 at each building.

(2) Your Business Personal Property

- (a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:

- (i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions; or
- (ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations.

The most we will pay for loss or damage under this Extension is \$100,000 at each building.

- (b) This Extension does not apply to:

- (i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or
- (ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period Of Coverage

With respect to insurance provided under this Coverage Extension for Newly Acquired Or Constructed Property, coverage will end when any of the following first occurs:

- (a) This policy expires;
- (b) 30 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

b. Personal Effects And Property Of Others

You may extend the insurance that applies to Your Business Personal Property to apply to:

- (1) Personal effects owned by you, your officers, your partners or members, your managers or your employees. This Extension does not apply to loss or damage by theft.
- (2) Personal property of others in your care, custody or control.

The most we will pay for loss or damage under this Extension is \$2,500 at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

c. Valuable Papers And Records (Other Than Electronic Data)

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered, Electronic Data.
- (2) If the Causes Of Loss – Special Form applies, coverage under this Extension is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.
- (3) If the Causes Of Loss – Broad Form applies, coverage under this Extension includes Collapse as set forth in that form.
- (4) Under this Extension, the most we will pay to replace or restore the lost information is \$2,500 at each described premises, unless a higher limit is shown in the Declarations. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist) and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and, therefore, coverage of such costs is not additional insurance.

d. Property Off-premises

- (1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:
 - (a) Temporarily at a location you do not own, lease or operate;
 - (b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
 - (c) At any fair, trade show or exhibition.
- (2) This Extension does not apply to property:
 - (a) In or on a vehicle; or
 - (b) In the care, custody or control of your salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.
- (3) The most we will pay for loss or damage under this Extension is \$10,000.

e. Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, radio and television antennas (including satellite dishes), trees, shrubs and plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or Civil Commotion; or
- (5) Aircraft.

The most we will pay for loss or damage under this Extension is \$1,000, but not more than \$250 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

Subject to all aforementioned terms and limitations of coverage, this Coverage Extension includes the expense of removing from the described premises the debris of trees, shrubs and plants which are the property of others, except in the situation in which you are a tenant and such property is owned by the landlord of the described premises.

f. Non-owned Detached Trailers

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:
 - (a) The trailer is used in your business;
 - (b) The trailer is in your care, custody or control at the premises described in the Declarations; and
 - (c) You have a contractual responsibility to pay for loss or damage to the trailer.
- (2) We will not pay for any loss or damage that occurs:
 - (a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;
 - (b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.
- (3) The most we will pay for loss or damage under this Extension is \$5,000, unless a higher limit is shown in the Declarations.
- (4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

g. Business Personal Property Temporarily In Portable Storage Units

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to such property while temporarily stored in a portable storage unit (including a detached trailer) located within 100 feet of the building or structure described in the Declarations or within 100 feet of the premises described in the Declarations, whichever distance is greater.

- (2) If the applicable Covered Causes of Loss form or endorsement contains a limitation or exclusion concerning loss or damage from sand, dust, sleet, snow, ice or rain to property in a structure, such limitation or exclusion also applies to property in a portable storage unit.
- (3) Coverage under this Extension:
 - (a) Will end 90 days after the business personal property has been placed in the storage unit;
 - (b) Does not apply if the storage unit itself has been in use at the described premises for more than 90 consecutive days, even if the business personal property has been stored there for 90 or fewer days as of the time of loss or damage.
- (4) Under this Extension, the most we will pay for the total of all loss or damage to business personal property is \$10,000 (unless a higher limit is indicated in the Declarations for such Extension) regardless of the number of storage units. Such limit is part of, not in addition to, the applicable Limit of Insurance on Your Business Personal Property. Therefore, payment under this Extension will not increase the applicable Limit of Insurance on Your Business Personal Property.
- (5) This Extension does not apply to loss or damage otherwise covered under this Coverage Form or any endorsement to this Coverage Form or policy, and does not apply to loss or damage to the storage unit itself.

Each of these Extensions is additional insurance unless otherwise indicated. The Additional Condition, Coinsurance, does not apply to these Extensions.

B. Exclusions And Limitations

See applicable Causes Of Loss form as shown in the Declarations.

C. Limits Of Insurance

The most we will pay for loss or damage in any one occurrence is the applicable Limit Of Insurance shown in the Declarations.

The most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to a building, is \$2,500 per sign in any one occurrence.

The amounts of insurance stated in the following Additional Coverages apply in accordance with the terms of such coverages and are separate from the Limit(s) Of Insurance shown in the Declarations for any other coverage:

1. Fire Department Service Charge;
2. Pollutant Clean-up And Removal;
3. Increased Cost Of Construction; and
4. Electronic Data.

Payments under the Preservation Of Property Additional Coverage will not increase the applicable Limit of Insurance.

D. Deductible

In any one occurrence of loss or damage (hereinafter referred to as loss), we will first reduce the amount of loss if required by the Coinsurance Condition or the Agreed Value Optional Coverage. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss and will pay the resulting amount or the Limit of Insurance, whichever is less.

When the occurrence involves loss to more than one item of Covered Property and separate Limits of Insurance apply, the losses will not be combined in determining application of the Deductible. But the Deductible will be applied only once per occurrence.

Example 1

(This example assumes there is no Coinsurance penalty.)

Deductible:	\$ 250
Limit of Insurance – Building 1:	\$ 60,000
Limit of Insurance – Building 2:	\$ 80,000
Loss to Building 1:	\$ 60,100
Loss to Building 2:	\$ 90,000

The amount of loss to Building 1 (\$60,100) is less than the sum (\$60,250) of the Limit of Insurance applicable to Building 1 plus the Deductible.

The Deductible will be subtracted from the amount of loss in calculating the loss payable for Building 1:

$$\begin{array}{r} \$ 60,100 \\ - \quad 250 \\ \hline \end{array}$$

\$ 59,850 Loss Payable – Building 1

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of loss payable for Building 2. Loss payable for Building 2 is the Limit of Insurance of \$80,000.

Total amount of loss payable:

$$\$59,850 + \$80,000 = \$139,850$$

Example 2

(This example, too, assumes there is no Coinsurance penalty.)

The Deductible and Limits of Insurance are the same as those in Example 1.

Loss to Building 1:	\$ 70,000
(Exceeds Limit of Insurance plus Deductible)	
Loss to Building 2:	\$ 90,000
(Exceeds Limit of Insurance plus Deductible)	
Loss Payable – Building 1:	\$ 60,000
(Limit of Insurance)	
Loss Payable – Building 2:	\$ 80,000
(Limit of Insurance)	
Total amount of loss payable:	\$ 140,000

E. Loss Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

3. Duties In The Event Of Loss Or Damage

- a. You must see that the following are done in the event of loss or damage to Covered Property:

- (1) Notify the police if a law may have been broken.

- (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when and where the loss or damage occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
- (5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
- (6) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.
- Also, permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
- (7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (8) Cooperate with us in the investigation or settlement of the claim.
- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

4. Loss Payment

- a. In the event of loss or damage covered by this Coverage Form, at our option, we will either:
- (1) Pay the value of lost or damaged property;
 - (2) Pay the cost of repairing or replacing the lost or damaged property, subject to **b.** below;
 - (3) Take all or any part of the property at an agreed or appraised value; or
 - (4) Repair, rebuild or replace the property with other property of like kind and quality, subject to **b.** below.
- We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of the Valuation Condition in this Coverage Form or any applicable provision which amends or supersedes the Valuation Condition.
- b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.
- c. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- d. We will not pay you more than your financial interest in the Covered Property.
- e. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- f. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- g. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part, and:
- (1) We have reached agreement with you on the amount of loss; or
 - (2) An appraisal award has been made.

- h.** A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable policy provisions including Limits of Insurance, the Valuation and Coinsurance Conditions and all other provisions of this Loss Payment Condition. Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Transfer Of Rights Of Recovery Against Others To Us Condition in this policy.

5. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

6. Vacancy

a. Description Of Terms

- (1)** As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in **(1)(a)** and **(1)(b)** below:
- (a)** When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.

- (b)** When this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:

- (i)** Rented to a lessee or sublessee and used by the lessee or sublessee to conduct its customary operations; and/or
- (ii)** Used by the building owner to conduct customary operations.

- (2)** Buildings under construction or renovation are not considered vacant.

b. Vacancy Provisions

If the building where loss or damage occurs has been vacant for more than 60 consecutive days before that loss or damage occurs:

- (1)** We will not pay for any loss or damage caused by any of the following, even if they are Covered Causes of Loss:
- (a)** Vandalism;
- (b)** Sprinkler leakage, unless you have protected the system against freezing;
- (c)** Building glass breakage;
- (d)** Water damage;
- (e)** Theft; or
- (f)** Attempted theft.
- (2)** With respect to Covered Causes of Loss other than those listed in **b.(1)(a)** through **b.(1)(f)** above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

7. Valuation

We will determine the value of Covered Property in the event of loss or damage as follows:

- a.** At actual cash value as of the time of loss or damage, except as provided in **b.**, **c.**, **d.** and **e.** below.
- b.** If the Limit of Insurance for Building satisfies the Additional Condition, Coinsurance, and the cost to repair or replace the damaged building property is \$2,500 or less, we will pay the cost of building repairs or replacement.

The cost of building repairs or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

However, the following property will be valued at the actual cash value, even when attached to the building:

- (1) Awnings or floor coverings;
 - (2) Appliances for refrigerating, ventilating, cooking, dishwashing or laundering; or
 - (3) Outdoor equipment or furniture.
- c. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.
- d. Glass at the cost of replacement with safety-glazing material if required by law.
- e. Tenants' Improvements and Betterments at:
- (1) Actual cash value of the lost or damaged property if you make repairs promptly.
 - (2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:
 - (a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - (b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.

- (3) Nothing if others pay for repairs or replacement.

F. Additional Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

1. Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies:

- a. We will not pay the full amount of any loss if the value of Covered Property at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for the property.

Instead, we will determine the most we will pay using the following steps:

- (1) Multiply the value of Covered Property at the time of loss by the Coinsurance percentage;
- (2) Divide the Limit of Insurance of the property by the figure determined in Step (1);
- (3) Multiply the total amount of loss, before the application of any deductible, by the figure determined in Step (2); and
- (4) Subtract the deductible from the figure determined in Step (3).

We will pay the amount determined in Step (4) or the Limit of Insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

Example 1 (Underinsurance)

When:	The value of the property is:	\$ 250,000
	The Coinsurance percentage for it is:	80%
	The Limit of Insurance for it is:	\$ 100,000
	The Deductible is:	\$ 250
	The amount of loss is:	\$ 40,000

Step (1): $\$250,000 \times 80\% = \$200,000$
(the minimum amount of insurance to meet your Coinsurance requirements)

Step (2): $\$100,000 \div \$200,000 = .50$

Step (3): $\$40,000 \times .50 = \$20,000$

Step (4): $\$20,000 - \$250 = \$19,750$

We will pay no more than \$19,750. The remaining \$20,250 is not covered.

Example 2 (Adequate Insurance)

When:	The value of the property is:	\$ 250,000
	The Coinsurance percentage for it is:	80%
	The Limit of Insurance for it is:	\$ 200,000
	The Deductible is:	\$ 250
	The amount of loss is:	\$ 40,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 ($\$250,000 \times 80\%$). Therefore, the Limit of Insurance in this example is adequate, and no penalty applies. We will pay no more than \$39,750 ($\$40,000$ amount of loss minus the deductible of \$250).

- b. If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

Example 3

When: The value of the property is:

Building at Location 1:	\$ 75,000
Building at Location 2:	\$ 100,000
Personal Property at Location 2:	<u>\$ 75,000</u>
	\$ 250,000

The Coinsurance percentage for it is: 90%

The Limit of Insurance for Buildings and Personal Property at Locations 1 and 2 is: \$ 180,000

The Deductible is: \$ 1,000

The amount of loss is:

Building at Location 2: \$ 30,000

Personal Property at Location 2: \$ 20,000
\$ 50,000

Step (1): $\$250,000 \times 90\% = \$225,000$

(the minimum amount of insurance to meet your Coinsurance requirements and to avoid the penalty shown below)

Step (2): $\$180,000 \div \$225,000 = .80$

Step (3): $\$50,000 \times .80 = \$40,000$

Step (4): $\$40,000 - \$1,000 = \$39,000$

We will pay no more than \$39,000. The remaining \$11,000 is not covered.

2. Mortgageholders

- a. The term mortgageholder includes trustee.
- b. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
 - (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;

- (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and

- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All of the terms of this Coverage Part will then apply directly to the mortgageholder.

- e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

- (1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and

- (2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

- f. If we cancel this policy, we will give written notice to the mortgageholder at least:

- (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or

- (2) 30 days before the effective date of cancellation if we cancel for any other reason.

- g. If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

G. Optional Coverages

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item:

1. Agreed Value

- a. The Additional Condition, Coinsurance, does not apply to Covered Property to which this Optional Coverage applies. We will pay no more for loss of or damage to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Agreed Value shown for it in the Declarations.

b. If the expiration date for this Optional Coverage shown in the Declarations is not extended, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage expires.

c. The terms of this Optional Coverage apply only to loss or damage that occurs:

- (1) On or after the effective date of this Optional Coverage; and
- (2) Before the Agreed Value expiration date shown in the Declarations or the policy expiration date, whichever occurs first.

2. Inflation Guard

a. The Limit of Insurance for property to which this Optional Coverage applies will automatically increase by the annual percentage shown in the Declarations.

b. The amount of increase will be:

- (1) The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance, times
- (2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), times
- (3) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

Example

If: The applicable Limit of Insurance is: \$ 100,000
 The annual percentage increase is: 8%
 The number of days since the beginning of the policy year (or last policy change) is: 146
 The amount of increase is:
 $\$100,000 \times .08 \times 146 \div 365 =$ \$ 3,200

3. Replacement Cost

a. Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Valuation Loss Condition of this Coverage Form.

b. This Optional Coverage does not apply to:

- (1) Personal property of others;
- (2) Contents of a residence;
- (3) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; or

(4) "Stock", unless the Including "Stock" option is shown in the Declarations.

Under the terms of this Replacement Cost Optional Coverage, tenants' improvements and betterments are not considered to be the personal property of others.

c. You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim for the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the loss or damage.

d. We will not pay on a replacement cost basis for any loss or damage:

- (1) Until the lost or damaged property is actually repaired or replaced; and
- (2) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage.

With respect to tenants' improvements and betterments, the following also apply:

(3) If the conditions in d.(1) and d.(2) above are not met, the value of tenants' improvements and betterments will be determined as a proportion of your original cost, as set forth in the Valuation Loss Condition of this Coverage Form; and

(4) We will not pay for loss or damage to tenants' improvements and betterments if others pay for repairs or replacement.

e. We will not pay more for loss or damage on a replacement cost basis than the least of (1), (2) or (3), subject to f. below:

- (1) The Limit of Insurance applicable to the lost or damaged property;
- (2) The cost to replace the lost or damaged property with other property:

(a) Of comparable material and quality; and

(b) Used for the same purpose; or

(3) The amount actually spent that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a new premises, the cost described in e.(2) above is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.

- f. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

4. Extension Of Replacement Cost To Personal Property Of Others

- a. If the Replacement Cost Optional Coverage is shown as applicable in the Declarations, then this Extension may also be shown as applicable. If the Declarations show this Extension as applicable, then Paragraph **3.b.(1)** of the Replacement Cost Optional Coverage is deleted and all other provisions of the Replacement Cost Optional Coverage apply to replacement cost on personal property of others.

- b. With respect to replacement cost on the personal property of others, the following limitation applies:

If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the lesser of the replacement cost of the property or the applicable Limit of Insurance.

H. Definitions

1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
2. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
3. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **F**. Definitions.

A. Coverage

1. Business Income

Business Income means the:

- a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
- b. Continuing normal operating expenses incurred, including payroll.

For manufacturing risks, Net Income includes the net sales value of production.

Coverage is provided as described and limited below for one or more of the following options for which a Limit Of Insurance is shown in the Declarations:

- (1) Business Income Including "Rental Value".
- (2) Business Income Other Than "Rental Value".
- (3) "Rental Value".

If option (1) above is selected, the term Business Income will include "Rental Value". If option (3) above is selected, the term Business Income will mean "Rental Value" only.

If Limits of Insurance are shown under more than one of the above options, the provisions of this Coverage Part apply separately to each.

We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at premises which are described in the Declarations and for which a Business Income Limit Of Insurance is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 100 feet of such premises.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of a building, your premises means:

- (a) The portion of the building which you rent, lease or occupy;
- (b) The area within 100 feet of the building or within 100 feet of the premises described in the Declarations, whichever distance is greater (with respect to loss of or damage to personal property in the open or personal property in a vehicle); and
- (c) Any area within the building or at the described premises, if that area services, or is used to gain access to, the portion of the building which you rent, lease or occupy.

2. Extra Expense

- a. Extra Expense Coverage is provided at the premises described in the Declarations only if the Declarations show that Business Income Coverage applies at that premises.
- b. Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

We will pay Extra Expense (other than the expense to repair or replace property) to:

- (1) Avoid or minimize the "suspension" of business and to continue operations at the described premises or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.

- (2) Minimize the "suspension" of business if you cannot continue "operations".

We will also pay Extra Expense to repair or replace property, but only to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Form.

3. Covered Causes Of Loss, Exclusions And Limitations

See applicable Causes Of Loss form as shown in the Declarations.

4. Additional Limitation – Interruption Of Computer Operations

- a. Coverage for Business Income does not apply when a "suspension" of "operations" is caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage, Interruption Of Computer Operations.
- b. Coverage for Extra Expense does not apply when action is taken to avoid or minimize a "suspension" of "operations" caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage, Interruption Of Computer Operations.
- c. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.
- d. This Additional Limitation does not apply when loss or damage to electronic data involves only electronic data which is integrated in and operates or controls a building's elevator, lighting, heating, ventilation, air conditioning or security system.

5. Additional Coverages

a. Civil Authority

In this Additional Coverage, Civil Authority, the described premises are premises to which this Coverage Form applies, as shown in the Declarations.

When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

- (1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property; and
- (2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority Coverage for Business Income will begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to four consecutive weeks from the date on which such coverage began.

Civil Authority Coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will end:

- (1) Four consecutive weeks after the date of that action; or
 - (2) When your Civil Authority Coverage for Business Income ends;
- whichever is later.

b. Alterations And New Buildings

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur due to direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss to:

- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and
- (3) Machinery, equipment, supplies or building materials located on or within 100 feet of the described premises and:
 - (a) Used in the construction, alterations or additions; or
 - (b) Incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations", the "period of restoration" for Business Income Coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

c. Extended Business Income**(1) Business Income Other Than "Rental Value"**

If the necessary "suspension" of your "operations" produces a Business Income loss payable under this policy, we will pay for the actual loss of Business Income you incur during the period that:

- (a) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (b) Ends on the earlier of:
 - (i) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical loss or damage had occurred; or
 - (ii) 60 consecutive days after the date determined in (1)(a) above.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

(2) "Rental Value"

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this policy, we will pay for the actual loss of "Rental Value" you incur during the period that:

- (a) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- (b) Ends on the earlier of:
 - (i) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or
 - (ii) 60 consecutive days after the date determined in (2)(a) above.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of "Rental Value" must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

d. Interruption Of Computer Operations

- (1) Under this Additional Coverage, electronic data has the meaning described under Additional Limitation – Interruption Of Computer Operations.

- (2) Subject to all provisions of this Additional Coverage, you may extend the insurance that applies to Business Income and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of electronic data due to a Covered Cause of Loss. However, we will not provide coverage under this Additional Coverage when the Additional Limitation – Interruption Of Computer Operations does not apply based on Paragraph A.4.d. therein.
- (3) With respect to the coverage provided under this Additional Coverage, the Covered Causes of Loss are subject to the following:
- (a) If the Causes Of Loss – Special Form applies, coverage under this Additional Coverage, Interruption Of Computer Operations, is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.
 - (b) If the Causes Of Loss – Broad Form applies, coverage under this Additional Coverage, Interruption Of Computer Operations, includes Collapse as set forth in that form.
 - (c) If the Causes Of Loss form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage, Interruption Of Computer Operations.
 - (d) The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for an interruption related to manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, maintain, repair or replace that system.

- (4) The most we will pay under this Additional Coverage, Interruption Of Computer Operations, is \$2,500 (unless a higher limit is shown in the Declarations) for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or the number of premises, locations or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or expense in a subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.
- (5) This Additional Coverage, Interruption Of Computer Operations, does not apply to loss sustained or expense incurred after the end of the "period of restoration", even if the amount of insurance stated in (4) above has not been exhausted.

6. Coverage Extension

If a Coinsurance percentage of 50% or more is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

Newly Acquired Locations

- a. You may extend your Business Income and Extra Expense Coverages to apply to property at any location you acquire other than fairs or exhibitions.
- b. The most we will pay under this Extension, for the sum of Business Income loss and Extra Expense incurred, is \$100,000 at each location, unless a higher limit is shown in the Declarations.
- c. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:
 - (1) This policy expires;

(2) 30 days expire after you acquire or begin to construct the property; or

(3) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property.

The Additional Condition, Coinsurance, does not apply to this Extension.

B. Limits Of Insurance

The most we will pay for loss in any one occurrence is the applicable Limit Of Insurance shown in the Declarations.

Payments under the following coverages will not increase the applicable Limit of Insurance:

1. Alterations And New Buildings;
2. Civil Authority;
3. Extra Expense; or
4. Extended Business Income.

The amounts of insurance stated in the Interruption Of Computer Operations Additional Coverage and the Newly Acquired Locations Coverage Extension apply in accordance with the terms of those coverages and are separate from the Limit(s) Of Insurance shown in the Declarations for any other coverage.

C. Loss Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

1. Appraisal

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

2. Duties In The Event Of Loss

a. You must see that the following are done in the event of loss:

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the direct physical loss or damage. Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when and where the direct physical loss or damage occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
- (5) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
- (6) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (7) Cooperate with us in the investigation or settlement of the claim.
- (8) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.

b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

3. Loss Determination

- a. The amount of Business Income loss will be determined based on:
- (1) The Net Income of the business before the direct physical loss or damage occurred;
 - (2) The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
 - (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
 - (4) Other relevant sources of information, including:
 - (a) Your financial records and accounting procedures;
 - (b) Bills, invoices and other vouchers; and
 - (c) Deeds, liens or contracts.
- b. The amount of Extra Expense will be determined based on:
- (1) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
 - (a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
 - (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
 - (2) Necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

c. Resumption Of Operations

We will reduce the amount of your:

- (1) Business Income loss, other than Extra Expense, to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.
 - (2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.
- d. If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

4. Loss Payment

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part, and:

- a. We have reached agreement with you on the amount of loss; or
- b. An appraisal award has been made.

D. Additional Condition**COINSURANCE**

If a Coinsurance percentage is shown in the Declarations, the following condition applies in addition to the Common Policy Conditions and the Commercial Property Conditions.

We will not pay the full amount of any Business Income loss if the Limit of Insurance for Business Income is less than:

1. The Coinsurance percentage shown for Business Income in the Declarations; times
2. The sum of:
 - a. The Net Income (Net Profit or Loss before income taxes), and
 - b. Operating expenses, including payroll expenses,

that would have been earned or incurred (had no loss occurred) by your "operations" at the described premises for the 12 months following the inception, or last previous anniversary date, of this policy (whichever is later).

Instead, we will determine the most we will pay using the following steps:

- Step (1): Multiply the Net Income and operating expense for the 12 months following the inception, or last previous anniversary date, of this policy by the Coinsurance percentage;
- Step (2): Divide the Limit of Insurance for the described premises by the figure determined in Step (1); and
- Step (3): Multiply the total amount of loss by the figure determined in Step (2).

We will pay the amount determined in Step (3) or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

In determining operating expenses for the purpose of applying the Coinsurance condition, the following expenses, if applicable, shall be deducted from the total of all operating expenses:

- (1) Prepaid freight – outgoing;
- (2) Returns and allowances;
- (3) Discounts;
- (4) Bad debts;
- (5) Collection expenses;
- (6) Cost of raw stock and factory supplies consumed (including transportation charges);
- (7) Cost of merchandise sold (including transportation charges);
- (8) Cost of other supplies consumed (including transportation charges);
- (9) Cost of services purchased from outsiders (not employees) to resell, that do not continue under contract;
- (10) Power, heat and refrigeration expenses that do not continue under contract (if Form **CP 15 11** is attached);
- (11) All payroll expenses or the amount of payroll expense excluded (if Form **CP 15 10** is attached); and
- (12) Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion – not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

Example 1 (Underinsurance)

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been: \$ 400,000
 The Coinsurance percentage is: 50%
 The Limit of Insurance is: \$ 150,000
 The amount of loss is: \$ 80,000

Step (1): $\$400,000 \times 50\% = \$200,000$
 (the minimum amount of insurance to meet your Coinsurance requirements)

Step (2): $\$150,000 \div \$200,000 = .75$

Step (3): $\$80,000 \times .75 = \$60,000$

We will pay no more than \$60,000. The remaining \$20,000 is not covered.

Example 2 (Adequate Insurance)

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been: \$ 400,000
 The Coinsurance percentage is: 50%
 The Limit of Insurance is: \$ 200,000
 The amount of loss is: \$ 80,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 ($\$400,000 \times 50\%$). Therefore, the Limit of Insurance in this example is adequate and no penalty applies. We will pay no more than \$80,000 (amount of loss).

This condition does not apply to Extra Expense Coverage.

E. Optional Coverages

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

1. Maximum Period Of Indemnity

- a. The Additional Condition, Coinsurance, does not apply to this Coverage Form at the described premises to which this Optional Coverage applies.

- b. The most we will pay for the total of Business Income loss and Extra Expense is the lesser of:

- (1) The amount of loss sustained and expenses incurred during the 120 days immediately following the beginning of the "period of restoration"; or
- (2) The Limit Of Insurance shown in the Declarations.

2. Monthly Limit Of Indemnity

- a. The Additional Condition, Coinsurance, does not apply to this Coverage Form at the described premises to which this Optional Coverage applies.
- b. The most we will pay for loss of Business Income in each period of 30 consecutive days after the beginning of the "period of restoration" is:
 - (1) The Limit of Insurance, multiplied by
 - (2) The fraction shown in the Declarations for this Optional Coverage.

Example

When:	The Limit of Insurance is:	\$ 120,000
	The fraction shown in the Declarations for this Optional Coverage is:	1/4
	The most we will pay for loss in each period of 30 consecutive days is:	\$ 30,000
	(\$120,000 x 1/4 = \$30,000)	
	If, in this example, the actual amount of loss is:	
	Days 1–30:	\$ 40,000
	Days 31–60:	\$ 20,000
	Days 61–90:	\$ 30,000
		\$ 90,000
	We will pay:	
	Days 1–30:	\$ 30,000
	Days 31–60:	\$ 20,000
	Days 61–90:	\$ 30,000
		\$ 80,000

The remaining \$10,000 is not covered.

3. Business Income Agreed Value

- a. To activate this Optional Coverage:
 - (1) A Business Income Report/Work Sheet must be submitted to us and must show financial data for your "operations":
 - (a) During the 12 months prior to the date of the Work Sheet; and

- (b) Estimated for the 12 months immediately following the inception of this Optional Coverage.

- (2) The Declarations must indicate that the Business Income Agreed Value Optional Coverage applies, and an Agreed Value must be shown in the Declarations. The Agreed Value should be at least equal to:

- (a) The Coinsurance percentage shown in the Declarations; multiplied by
- (b) The amount of Net Income and operating expenses for the following 12 months you report on the Work Sheet.

- b. The Additional Condition, Coinsurance, is suspended until:

- (1) 12 months after the effective date of this Optional Coverage; or
- (2) The expiration date of this policy; whichever occurs first.

- c. We will reinstate the Additional Condition, Coinsurance, automatically if you do not submit a new Work Sheet and Agreed Value:

- (1) Within 12 months of the effective date of this Optional Coverage; or
- (2) When you request a change in your Business Income Limit of Insurance.

- d. If the Business Income Limit of Insurance is less than the Agreed Value, we will not pay more of any loss than the amount of loss multiplied by:

- (1) The Business Income Limit of Insurance; divided by
- (2) The Agreed Value.

Example

When:	The Limit of Insurance is:	\$ 100,000
	The Agreed Value is:	\$ 200,000
	The amount of loss is:	\$ 80,000
Step (1):	\$100,000 ÷ \$200,000 = .50	
Step (2):	.50 x \$80,000 = \$40,000	

We will pay \$40,000. The remaining \$40,000 is not covered.

4. Extended Period Of Indemnity

Under Paragraph A.5.c., **Extended Business Income**, the number 60 in Subparagraphs (1)(b) and (2)(b) is replaced by the number shown in the Declarations for this Optional Coverage.

F. Definitions

1. "Finished stock" means stock you have manufactured.

"Finished stock" also includes whiskey and alcoholic products being aged, unless there is a Coinsurance percentage shown for Business Income in the Declarations.

"Finished stock" does not include stock you have manufactured that is held for sale on the premises of any retail outlet insured under this Coverage Part.

2. "Operations" means:
 - a. Your business activities occurring at the described premises; and
 - b. The tenantability of the described premises, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.
3. "Period of restoration" means the period of time that:
 - a. Begins:
 - (1) 72 hours after the time of direct physical loss or damage for Business Income Coverage; or
 - (2) Immediately after the time of direct physical loss or damage for Extra Expense Coverage;

caused by or resulting from any Covered Cause of Loss at the described premises; and
 - b. Ends on the earlier of:
 - (1) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (2) The date when business is resumed at a new permanent location.

"Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:

- (1) Regulates the construction, use or repair, or requires the tearing down, of any property; or

- (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

4. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
5. "Rental Value" means Business Income that consists of:
 - a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, including fair rental value of any portion of the described premises which is occupied by you; and
 - b. Continuing normal operating expenses incurred in connection with that premises, including:
 - (1) Payroll; and
 - (2) The amount of charges which are the legal obligation of the tenant(s) but would otherwise be your obligations.
6. "Suspension" means:
 - a. The slowdown or cessation of your business activities; or
 - b. That a part or all of the described premises is rendered untenable, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.

COMMERCIAL PROPERTY**COMMERCIAL PROPERTY CONDITIONS**

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

B. CONTROL OF PROPERTY

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

C. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

D. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

E. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

F. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

G. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

H. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

1. We cover loss or damage commencing:
 - a. During the policy period shown in the Declarations; and
 - b. Within the coverage territory.
2. The coverage territory is:
 - a. The United States of America (including its territories and possessions);
 - b. Puerto Rico; and
 - c. Canada.

I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property or Covered Income.
2. After a loss to your Covered Property or Covered Income only if, at time of loss, that party is one of the following:
 - a. Someone insured by this insurance;
 - b. A business firm:
 - (1) Owned or controlled by you; or
 - (2) That owns or controls you; or
 - c. Your tenant.

This will not restrict your insurance.

COMMERCIAL PROPERTY
CP 01 40 07 06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART STANDARD PROPERTY POLICY

- A.** The exclusion set forth in Paragraph **B.** applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.
- B.** We will not pay for loss or damage caused by or resulting from any virus, bacterium or other micro-organism that induces or is capable of inducing physical distress, illness or disease.
However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part or Policy.
- C.** With respect to any loss or damage subject to the exclusion in Paragraph **B.**, such exclusion supersedes any exclusion relating to "pollutants".
- D.** The following provisions in this Coverage Part or Policy are hereby amended to remove reference to bacteria:
 - 1.** Exclusion of "Fungus", Wet Rot, Dry Rot And Bacteria; and
 - 2.** Additional Coverage – Limited Coverage for "Fungus", Wet Rot, Dry Rot And Bacteria, including any endorsement increasing the scope or amount of coverage.
- E.** The terms of the exclusion in Paragraph **B.**, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

COMMERCIAL PROPERTY
CP 04 01 10 00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BRANDS AND LABELS

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
STANDARD PROPERTY POLICY

- A.** If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or any part of the property at an agreed or appraised value. If so, you may:
- 1.** Stamp "salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
 - 2.** Remove the brands or labels, if doing so will not physically damage the merchandise. You must relabel the merchandise or its containers to comply with the law.
- B.** We will pay reasonable costs you incur to perform the activity described in **A.1.** or **A.2.** above. But the total we pay for these costs and the value of the damaged property will not exceed the applicable Limit of Insurance on such property.

CAUSES OF LOSS – SPECIAL FORM

Words and phrases that appear in quotation marks have special meaning. Refer to Section **G**. Definitions.

A. Covered Causes Of Loss

When Special is shown in the Declarations, Covered Causes of Loss means direct physical loss unless the loss is excluded or limited in this policy.

B. Exclusions

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

a. Ordinance Or Law

The enforcement of or compliance with any ordinance or law:

- (1) Regulating the construction, use or repair of any property; or
- (2) Requiring the tearing down of any property, including the cost of removing its debris.

This exclusion, Ordinance Or Law, applies whether the loss results from:

- (a) An ordinance or law that is enforced even if the property has not been damaged; or
- (b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

b. Earth Movement

- (1) Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event;
- (2) Landslide, including any earth sinking, rising or shifting related to such event;
- (3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;

- (4) Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if Earth Movement, as described in **b.(1)** through **(4)** above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

- (5) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

Volcanic Action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- (a) Airborne volcanic blast or airborne shock waves;
- (b) Ash, dust or particulate matter; or
- (c) Lava flow.

With respect to coverage for Volcanic Action as set forth in **(5)(a)**, **(5)(b)** and **(5)(c)**, all volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic Action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

This exclusion applies regardless of whether any of the above, in Paragraphs **(1)** through **(5)**, is caused by an act of nature or is otherwise caused.

c. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

d. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

e. Utility Services

The failure of power, communication, water or other utility service supplied to the described premises, however caused, if the failure:

- (1) Originates away from the described premises; or
- (2) Originates at the described premises, but only if such failure involves equipment used to supply the utility service to the described premises from a source away from the described premises.

Failure of any utility service includes lack of sufficient capacity and reduction in supply.

Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

But if the failure or surge of power, or the failure of communication, water or other utility service, results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

Communication services include but are not limited to service relating to Internet access or access to any electronic, cellular or satellite network.

f. War And Military Action

- (1) War, including undeclared or civil war;

- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

g. Water

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);

- (2) Mudslide or mudflow;

- (3) Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;

- (4) Water under the ground surface pressing on, or flowing or seeping through:

- (a) Foundations, walls, floors or paved surfaces;
- (b) Basements, whether paved or not; or
- (c) Doors, windows or other openings; or

- (5) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph (1), (3) or (4), or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs (1) through (5), is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if any of the above, in Paragraphs (1) through (5), results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage (if sprinkler leakage is a Covered Cause of Loss).

h. "Fungus", Wet Rot, Dry Rot And Bacteria

Presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria.

But if "fungus", wet or dry rot or bacteria result in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

- (1) When "fungus", wet or dry rot or bacteria result from fire or lightning; or
- (2) To the extent that coverage is provided in the Additional Coverage, Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria, with respect to loss or damage by a cause of loss other than fire or lightning.

Exclusions **B.1.a.** through **B.1.h.** apply whether or not the loss event results in widespread damage or affects a substantial area.

2. We will not pay for loss or damage caused by or resulting from any of the following:

a. Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:

- (1) Electrical or electronic wire, device, appliance, system or network; or
- (2) Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to:

- (a) Electrical current, including arcing;
- (b) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (c) Pulse of electromagnetic energy; or
- (d) Electromagnetic waves or microwaves.

But if fire results, we will pay for the loss or damage caused by that fire.

- b. Delay, loss of use or loss of market.**
- c. Smoke, vapor or gas from agricultural smudging or industrial operations.**

d.(1) Wear and tear;

(2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;

(3) Smog;

(4) Settling, cracking, shrinking or expansion;

(5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals.

(6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.

(7) The following causes of loss to personal property:

(a) Dampness or dryness of atmosphere;

(b) Changes in or extremes of temperature; or

(c) Marring or scratching.

But if an excluded cause of loss that is listed in **2.d.(1)** through **(7)** results in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

e. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

f. Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.

- g.** Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:

- (1)** You do your best to maintain heat in the building or structure; or
- (2)** You drain the equipment and shut off the supply if the heat is not maintained.

- h.** Dishonest or criminal act (including theft) by you, any of your partners, members, officers, managers, employees (including temporary employees and leased workers), directors, trustees or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion:

- (1)** Applies whether or not an act occurs during your normal hours of operation;
 - (2)** Does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered.
- i.** Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- j.** Rain, snow, ice or sleet to personal property in the open.
- k.** Collapse, including any of the following conditions of property or any part of the property:
- (1)** An abrupt falling down or caving in;
 - (2)** Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
 - (3)** Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to **(1)** or **(2)** above.

But if collapse results in a Covered Cause of Loss at the described premises, we will pay for the loss or damage caused by that Covered Cause of Loss.

This exclusion, **k.**, does not apply:

- (a)** To the extent that coverage is provided under the Additional Coverage, Collapse; or
 - (b)** To collapse caused by one or more of the following:
 - (i)** The "specified causes of loss";
 - (ii)** Breakage of building glass;
 - (iii)** Weight of rain that collects on a roof; or
 - (iv)** Weight of people or personal property.
 - l.** Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".
- This exclusion, **l.**, does not apply to damage to glass caused by chemicals applied to the glass.
- m.** Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.
- 3.** We will not pay for loss or damage caused by or resulting from any of the following, **3.a.** through **3.c.** But if an excluded cause of loss that is listed in **3.a.** through **3.c.** results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.
- a.** Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph **1.** above to produce the loss or damage.
 - b.** Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
 - c.** Faulty, inadequate or defective:
 - (1)** Planning, zoning, development, surveying, siting;
 - (2)** Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - (3)** Materials used in repair, construction, renovation or remodeling; or
 - (4)** Maintenance;

of part or all of any property on or off the described premises.

4. Special Exclusions

The following provisions apply only to the specified Coverage Forms:

a. Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form, Or Extra Expense Coverage Form

We will not pay for:

- (1) Any loss caused by or resulting from:
 - (a) Damage or destruction of "finished stock"; or
 - (b) The time required to reproduce "finished stock".

This exclusion does not apply to Extra Expense.
- (2) Any loss caused by or resulting from direct physical loss or damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.
- (3) Any increase of loss caused by or resulting from:
 - (a) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
 - (b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage and the Extended Period Of Indemnity Optional Coverage or any variation of these.
- (4) Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".
- (5) Any other consequential loss.

b. Leasehold Interest Coverage Form

- (1) Paragraph B.1.a., Ordinance Or Law, does not apply to insurance under this Coverage Form.
- (2) We will not pay for any loss caused by:
 - (a) Your cancelling the lease;
 - (b) The suspension, lapse or cancellation of any license; or
 - (c) Any other consequential loss.

c. Legal Liability Coverage Form

- (1) The following exclusions do not apply to insurance under this Coverage Form:
 - (a) Paragraph B.1.a. Ordinance Or Law;
 - (b) Paragraph B.1.c. Governmental Action;
 - (c) Paragraph B.1.d. Nuclear Hazard;
 - (d) Paragraph B.1.e. Utility Services; and
 - (e) Paragraph B.1.f. War And Military Action.
- (2) The following additional exclusions apply to insurance under this Coverage Form:

(a) Contractual Liability

We will not defend any claim or "suit", or pay damages that you are legally liable to pay, solely by reason of your assumption of liability in a contract or agreement. But this exclusion does not apply to a written lease agreement in which you have assumed liability for building damage resulting from an actual or attempted burglary or robbery, provided that:

- (i) Your assumption of liability was executed prior to the accident; and
- (ii) The building is Covered Property under this Coverage Form.

(b) Nuclear Hazard

We will not defend any claim or "suit", or pay any damages, loss, expense or obligation, resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

5. Additional Exclusion

The following provisions apply only to the specified property:

Loss Or Damage To Products

We will not pay for loss or damage to any merchandise, goods or other product caused by or resulting from error or omission by any person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, maintenance or repair. This exclusion applies to any effect that compromises the form, substance or quality of the product. But if such error or omission results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

C. Limitations

The following limitations apply to all policy forms and endorsements, unless otherwise stated:

1. We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.
 - a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
 - b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
 - c. The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
 - (1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
 - (2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
- d. Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft.

However, this limitation does not apply to:

 - (1) Building materials and supplies held for sale by you, unless they are insured under the Builders Risk Coverage Form; or
 - (2) Business Income Coverage or Extra Expense Coverage.
- e. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
- f. Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.
- g. Lawns, trees, shrubs or plants which are part of a vegetated roof, caused by or resulting from:
 - (1) Dampness or dryness of atmosphere or of soil supporting the vegetation;
 - (2) Changes in or extremes of temperature;
 - (3) Disease;
 - (4) Frost or hail; or
 - (5) Rain, snow, ice or sleet.
2. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:
 - a. Animals, and then only if they are killed or their destruction is made necessary.
 - b. Fragile articles such as statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:
 - (1) Glass; or
 - (2) Containers of property held for sale.
 - c. Builders' machinery, tools and equipment owned by you or entrusted to you, provided such property is Covered Property.

However, this limitation does not apply:

 - (1) If the property is located on or within 100 feet of the described premises, unless the premises is insured under the Builders Risk Coverage Form; or

(2) To Business Income Coverage or to Extra Expense Coverage.

3. The special limit shown for each category, **a.** through **d.**, is the total limit for loss of or damage to all property in that category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are (unless a higher limit is shown in the Declarations):

- a.** \$2,500 for furs, fur garments and garments trimmed with fur.
- b.** \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.
- c.** \$2,500 for patterns, dies, molds and forms.
- d.** \$250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are part of, not in addition to, the Limit of Insurance applicable to the Covered Property.

This limitation, **C.3.**, does not apply to Business Income Coverage or to Extra Expense Coverage.

4. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire-extinguishing equipment if the damage:

- a.** Results in discharge of any substance from an automatic fire protection system; or
- b.** Is directly caused by freezing.

However, this limitation does not apply to Business Income Coverage or to Extra Expense Coverage.

D. Additional Coverage – Collapse

The coverage provided under this Additional Coverage, Collapse, applies only to an abrupt collapse as described and limited in **D.1.** through **D.7.**

1. For the purpose of this Additional Coverage, Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.

2. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:

- a.** Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
- b.** Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
- c.** Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation.
- d.** Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:

- (1) A cause of loss listed in **2.a.** or **2.b.**;
- (2) One or more of the "specified causes of loss";
- (3) Breakage of building glass;
- (4) Weight of people or personal property; or
- (5) Weight of rain that collects on a roof.

3. This **Additional Coverage – Collapse** does not apply to:

- a.** A building or any part of a building that is in danger of falling down or caving in;
- b.** A part of a building that is standing, even if it has separated from another part of the building; or
- c.** A building that is standing or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

4. With respect to the following property:

- a.** Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;

- b. Awnings, gutters and downspouts;
 - c. Yard fixtures;
 - d. Outdoor swimming pools;
 - e. Fences;
 - f. Piers, wharves and docks;
 - g. Beach or diving platforms or appurtenances;
 - h. Retaining walls; and
 - i. Walks, roadways and other paved surfaces;
- if an abrupt collapse is caused by a cause of loss listed in **2.a.** through **2.d.**, we will pay for loss or damage to that property only if:

- (1) Such loss or damage is a direct result of the abrupt collapse of a building insured under this Coverage Form; and
- (2) The property is Covered Property under this Coverage Form.

5. If personal property abruptly falls down or caves in and such collapse is **not** the result of abrupt collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:
- a. The collapse of personal property was caused by a cause of loss listed in **2.a.** through **2.d.**;
 - b. The personal property which collapses is inside a building; and
 - c. The property which collapses is not of a kind listed in **4.**, regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph **5.** does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

- 6. This Additional Coverage, Collapse, does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- 7. This Additional Coverage, Collapse, will not increase the Limits of Insurance provided in this Coverage Part.
- 8. The term Covered Cause of Loss includes the Additional Coverage, Collapse, as described and limited in **D.1.** through **D.7.**

E. Additional Coverage – Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria

1. The coverage described in **E.2.** and **E.6.** only applies when the "fungus", wet or dry rot or bacteria are the result of one or more of the following causes that occur during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence:

- a. A "specified cause of loss" other than fire or lightning; or
- b. Flood, if the Flood Coverage Endorsement applies to the affected premises.

This Additional Coverage does not apply to lawns, trees, shrubs or plants which are part of a vegetated roof.

2. We will pay for loss or damage by "fungus", wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:

- a. Direct physical loss or damage to Covered Property caused by "fungus", wet or dry rot or bacteria, including the cost of removal of the "fungus", wet or dry rot or bacteria;
- b. The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet or dry rot or bacteria; and
- c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungus", wet or dry rot or bacteria are present.

3. The coverage described under **E.2.** of this Limited Coverage is limited to \$15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) and Flood which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the "fungus", wet or dry rot or bacteria continue to be present or active, or recur, in a later policy period.

4. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

If there is covered loss or damage to Covered Property, not caused by "fungus", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungus", wet or dry rot or bacteria cause an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

5. The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph F.2. (Water Damage, Other Liquids, Powder Or Molten Material Damage) of this Causes Of Loss form or under the Additional Coverage, Collapse.
6. The following, 6.a. or 6.b., applies only if Business Income and/or Extra Expense Coverage applies to the described premises and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable Business Income and/or Extra Expense Coverage Form:
- a. If the loss which resulted in "fungus", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to loss or damage to property caused by "fungus", wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.
 - b. If a covered "suspension" of "operations" was caused by loss or damage other than "fungus", wet or dry rot or bacteria but remediation of "fungus", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

F. Additional Coverage Extensions

1. Property In Transit

This Extension applies only to your personal property to which this form applies.

- a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.
- b. Loss or damage must be caused by or result from one of the following causes of loss:
 - (1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.
 - (2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the roadbed.
 - (3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.
- c. The most we will pay for loss or damage under this Extension is \$5,000.

This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

2. Water Damage, Other Liquids, Powder Or Molten Material Damage

If loss or damage caused by or resulting from covered water or other liquid, powder or molten material damage loss occurs, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. This Coverage Extension does not increase the Limit of Insurance.

3. Glass

- a. We will pay for expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.
- b. We will pay for expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.

This Coverage Extension **F.3.** does not increase the Limit of Insurance.

G. Definitions

- 1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
- 2. "Specified causes of loss" means the following:
 - a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
 - (1) The cost of filling sinkholes; or
 - (2) Sinking or collapse of land into man-made underground cavities.
 - b. Falling objects does not include loss or damage to:
 - (1) Personal property in the open; or
 - (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
 - c. Water damage means:
 - (1) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam; and

- (2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe caused by wear and tear, when the pipe is located off the described premises and is connected to or is part of a potable water supply system or sanitary sewer system operated by a public or private utility service provider pursuant to authority granted by the state or governmental subdivision where the described premises are located.

But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion. Therefore, for example, there is no coverage under this policy in the situation in which discharge or leakage of water results from the breaking apart or cracking of a pipe which was caused by or related to weather-induced flooding, even if wear and tear contributed to the breakage or cracking. As another example, and also in accordance with the terms of the Water Exclusion, there is no coverage for loss or damage caused by or related to weather-induced flooding which follows or is exacerbated by pipe breakage or cracking attributable to wear and tear.

To the extent that accidental discharge or leakage of water falls within the criteria set forth in **c.(1)** or **c.(2)** of this definition of "specified causes of loss," such water is not subject to the provisions of the Water Exclusion which preclude coverage for surface water or water under the surface of the ground.

COMMERCIAL PROPERTY
CP 10 75 12 20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER INCIDENT EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

A. The following exclusion is added to Paragraph B. Exclusions:

We will not pay for loss or damage caused directly or indirectly by the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

Cyber Incident

1. Unauthorized access to or use of any computer system (including electronic data).
2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any computer system (including electronic data) and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any computer system (including electronic data) or otherwise disrupt its normal functioning or operation.
3. Denial of service attack which disrupts, prevents or restricts access to or use of any computer system, or otherwise disrupts its normal functioning or operation.

B. Exceptions And Limitations

1. Fire Or Explosion

If a cyber incident as described in Paragraphs **A.1.** through **A.3.** of this exclusion results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

2. Additional Coverage

The exclusion in Paragraph **A.** does not apply to the extent that coverage is provided in the:

- a. Additional Coverage – Electronic Data; or
- b. Additional Coverage – Interruption Of Computer Operations.

3. Electronic Commerce Endorsement

The exclusion in Paragraph **A.** does not apply to the Electronic Commerce (E-Commerce) endorsement when attached to your policy.

C. Vandalism

The following is added to Vandalism, if Vandalism coverage is not otherwise excluded under the Standard Property Policy or the Causes Of Loss – Basic, Broad or Special Forms and if applicable to the premises described in the Declarations:

Vandalism does not include a cyber incident as described in Paragraph **A.**

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
CP 12 18 10 12**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****LOSS PAYABLE PROVISIONS**

This endorsement modifies insurance provided under the following:

BUILDERS' RISK COVERAGE FORM
 BUILDING AND PERSONAL PROPERTY COVERAGE FORM
 CONDOMINIUM ASSOCIATION COVERAGE FORM
 CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
 STANDARD PROPERTY POLICY

SCHEDULE

Location Number: 2	Building Number: 1	Applicable Clause (Enter C.1., C.2., C.3. or C.4.): C.1.
Description Of Property: Business Personal Property Loss Payee Name: St. Charles Bank & Trust Co Loss Payee Address: 411 W Main St Saint Charles, IL 60174-1815		
Location Number: 1	Building Number: 1	Applicable Clause (Enter C.1., C.2., C.3. or C.4.): C.1.
Description Of Property: Business Personal Property Loss Payee Name: Nextgear Capital Loss Payee Address: 11799 N College Ave, Ste 150 Carmel, IN 46032-5605		
Location Number:	Building Number:	Applicable Clause (Enter C.1., C.2., C.3. or C.4.):
Description Of Property: Loss Payee Name: Loss Payee Address:		
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

- A.** When this endorsement is attached to the Standard Property Policy **CP 00 99**, the term Coverage Part in this endorsement is replaced by the term Policy.
- B.** Nothing in this endorsement increases the applicable Limit of Insurance. We will not pay any Loss Payee more than their financial interest in the Covered Property, and we will not pay more than the applicable Limit of Insurance on the Covered Property.
- C.** The following is added to the **Loss Payment** Loss Condition, as indicated in the Declarations or in the Schedule:

1. Loss Payable Clause

For Covered Property in which both you and a Loss Payee shown in the Schedule or in the Declarations have an insurable interest, we will:

- a.** Adjust losses with you; and
- b.** Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear

2. Lender's Loss Payable Clause

- a.** The Loss Payee shown in the Schedule or in the Declarations is a creditor, including a mortgageholder or trustee, whose interest in Covered Property is established by such written instruments as:

- (1)** Warehouse receipts;
- (2)** A contract for deed;
- (3)** Bills of lading;
- (4)** Financing statements; or
- (5)** Mortgages, deeds of trust, or security agreements.

- b.** For Covered Property in which both you and a Loss Payee have an insurable interest:

- (1)** We will pay for covered loss or damage to each Loss Payee in their order of precedence, as interests may appear.
- (2)** The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the Covered Property.

- (3)** If we deny your claim because of your acts or because you have failed to comply with the terms of the Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:

- (a)** Pays any premium due under this Coverage Part at our request if you have failed to do so;
- (b)** Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
- (c)** Has notified us of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

All of the terms of this Coverage Part will then apply directly to the Loss Payee.

- (4)** If we pay the Loss Payee for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

- (a)** The Loss Payee's rights will be transferred to us to the extent of the amount we pay; and
- (b)** The Loss Payee's rights to recover the full amount of the Loss Payee's claim will not be impaired.

At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

- c.** If we cancel this policy, we will give written notice to the Loss Payee at least:
 - (1)** 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - (2)** 30 days before the effective date of cancellation if we cancel for any other reason.
- d.** If we elect not to renew this policy, we will give written notice to the Loss Payee at least 10 days before the expiration date of this policy.

3. Contract Of Sale Clause

- a. The Loss Payee shown in the Schedule or in the Declarations is a person or organization you have entered into a contract with for the sale of Covered Property.
- b. For Covered Property in which both you and the Loss Payee have an insurable interest, we will:
 - (1) Adjust losses with you; and
 - (2) Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.
- c. The following is added to the **Other Insurance** Condition:

For Covered Property that is the subject of a contract of sale, the word "you" includes the Loss Payee.

4. Building Owner Loss Payable Clause

- a. The Loss Payee shown in the Schedule or in the Declarations is the owner of the described building in which you are a tenant.
- b. We will adjust losses to the described building with the Loss Payee. Any loss payment made to the Loss Payee will satisfy your claims against us for the owner's property.
- c. We will adjust losses to tenants' improvements and betterments with you, unless the lease provides otherwise.

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
CP 15 31 09 17**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ORDINANCE OR LAW – INCREASED PERIOD
OF RESTORATION**

This endorsement modifies insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
EXTRA EXPENSE COVERAGE FORM**SCHEDULE****Described Premises:** Location #1 - Building #1 - Shop**Post-Loss Ordinance Or Law Option:** Yes ☒ No ☐

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. If a Covered Cause of Loss occurs to a building(s) at the premises described in the Schedule, resulting in a "suspension" of "operations" covered under this policy, the "period of restoration" is extended to include the increased period required to comply with the minimum standards of an ordinance or law, provided that:

1. The ordinance or law regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
2. The requirements of the ordinance or law are in force at the time of loss. But if the Post-Loss Ordinance Or Law Option is indicated in the Schedule as being applicable, then Paragraph **A.3.** applies instead of this Paragraph **A.2.**
3. The requirements of the ordinance or law are in force at the time of loss; or the ordinance or law is promulgated or revised after the loss but prior to commencement of reconstruction or repair and provided that such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.

However, coverage is not extended under this endorsement to include loss caused by or resulting from the enforcement of or compliance with any ordinance or law which requires:

1. The demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
2. Any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

B. The following definition is added:

"Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
CP 15 31 09 17**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ORDINANCE OR LAW – INCREASED PERIOD
OF RESTORATION**

This endorsement modifies insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
EXTRA EXPENSE COVERAGE FORM**SCHEDULE****Described Premises:** Location #2 - Building #1 - Shop/Storage/Office**Post-Loss Ordinance Or Law Option:** Yes ☒ No ☐

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. If a Covered Cause of Loss occurs to a building(s) at the premises described in the Schedule, resulting in a "suspension" of "operations" covered under this policy, the "period of restoration" is extended to include the increased period required to comply with the minimum standards of an ordinance or law, provided that:

1. The ordinance or law regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
2. The requirements of the ordinance or law are in force at the time of loss. But if the Post-Loss Ordinance Or Law Option is indicated in the Schedule as being applicable, then Paragraph **A.3.** applies instead of this Paragraph **A.2.**
3. The requirements of the ordinance or law are in force at the time of loss; or the ordinance or law is promulgated or revised after the loss but prior to commencement of reconstruction or repair and provided that such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.

However, coverage is not extended under this endorsement to include loss caused by or resulting from the enforcement of or compliance with any ordinance or law which requires:

1. The demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
2. Any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

B. The following definition is added:

"Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
CP 15 45 09 17**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****UTILITY SERVICES – TIME ELEMENT**

This endorsement modifies insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
EXTRA EXPENSE COVERAGE FORM**SCHEDULE**

Premises Number	Building Number	Utility Services Limit Of Insurance	Enter "X" for each applicable property.					
			Water Supply Property	Waste-water Removal Property	Communication Supply Property (including overhead transmission lines)	Communication Supply Property (not including overhead transmission lines)	Power Supply Property (including overhead transmission lines)	Power Supply Property (not including overhead transmission lines)
1	1	\$ Actual Loss Sustained	X	X		X		X
Causes Of Loss Form Applicable: Special - Incl Theft								
Business Income Waiting Period: _____ Hours (Leave blank if no waiting period applies to Business Income, or if Business Income coverage does not apply.)								
2	1	\$ Actual Loss Sustained	X	X		X		X
Causes Of Loss Form Applicable: Special - Incl Theft								
Business Income Waiting Period: _____ Hours (Leave blank if no waiting period applies to Business Income, or if Business Income coverage does not apply.)								
		\$						
Causes Of Loss Form Applicable:								
Business Income Waiting Period: _____ Hours (Leave blank if no waiting period applies to Business Income, or if Business Income coverage does not apply.)								
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.								

A. Coverage

Your coverage for Business Income and/or Extra Expense, as provided and limited in the applicable Coverage Form, is extended to apply to a "suspension" of "operations" at the described premises caused by an interruption in utility service to that premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss (as provided under the applicable Causes of Loss form indicated in the Schedule) to the property described in Paragraph **E.** if such property is indicated by an "X" in the Schedule.

B. Waiting Period

If a Business Income Waiting Period is indicated in the Schedule, such waiting period begins at the time of interruption of utility service to the described premises.

C. Duration Of Coverage

Coverage under this endorsement applies to loss sustained and expense incurred during the period of time that:

1. Begins:
 - a. Following expiration of the waiting period indicated in the Schedule, for Business Income; or
 - b. At the time of interruption of utility service to the described premises, for Extra Expense (and for Business Income, if a Business Income Waiting Period does not apply); and
2. Ends when:
 - a. "Operations" are fully resumed by any means; or
 - b. "Operations" could be fully resumed with reasonable speed following restoration of utility service to the described premises;

whichever occurs first.

The expiration date of this policy will not cut short the duration of coverage under this endorsement.

The "period of restoration" definition in the Coverage Form, or in any endorsement amending the Coverage Form, does not apply to the coverage provided under this endorsement.

D. Exception

Coverage under this endorsement does not apply to Business Income loss or Extra Expense related to interruption in utility service which causes loss or damage to electronic data, including destruction or corruption of electronic data. The term electronic data has the meaning set forth in the Coverage Form to which this endorsement applies.

E. Utility Services

1. Water Supply Property, meaning the following types of property supplying water to the described premises:

- a. Pumping stations; and
- b. Water mains.

2. Wastewater Removal Property, meaning a utility system for removing wastewater and sewage from the described premises, other than a system designed primarily for draining storm water. The utility property includes sewer mains, pumping stations and similar equipment for moving the effluent to a holding, treatment or disposal facility, and includes such facilities.

Coverage under this endorsement does not apply to interruption in service caused by or resulting from a discharge of water or sewage due to heavy rainfall or flooding.

3. Communication Supply Property, meaning property supplying communication services, including telephone, radio, microwave or television services, to the described premises, such as:

- a. Communication transmission lines, including optic fiber transmission lines;
- b. Coaxial cables; and
- c. Microwave radio relays except satellites.

It does not include overhead transmission lines unless indicated by an "X" in the Schedule.

4. Power Supply Property, meaning the following types of property supplying electricity, steam or gas to the described premises:

- a. Utility generating plants;
- b. Switching stations;
- c. Substations;

- d. Transformers; and
- e. Transmission lines.

It does not include overhead transmission lines unless indicated by an "X" in the Schedule.

- F. As used in this endorsement, the term transmission lines includes all lines which serve to transmit communication service or power, including lines which may be identified as distribution lines.

- G. The **Coinsurance** Additional Condition does not apply to this endorsement.

- H. The Utility Services Limit Of Insurance, as shown in the Schedule, is the only Limit which applies to the coverage provided under this endorsement, and is part of, not in addition to, the Limit Of Insurance stated in the Declarations as applicable to the described premises.

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
CP 15 56 06 07**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****BUSINESS INCOME CHANGES –
BEGINNING OF THE PERIOD OF RESTORATION**

This endorsement modifies insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM**SCHEDULE****Select Either A. Or B.**A. ☐ **72-Hour Time Period Is Replaced By 24 Hours**B. ☒ **72-Hour Time Period Is Eliminated**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. If the Schedule indicates that the 72-hour time period is replaced by 24 hours, then:

1. The 72-hour time period in the definition of "period of restoration" is replaced by 24 hours. Therefore, the period of restoration for Business Income Coverage begins 24 hours after the time of direct physical loss or damage, subject to all other provisions of the definition of "period of restoration"; and
2. The 72-hour time period in the Civil Authority Additional Coverage is replaced by 24 hours. Therefore, coverage under the Additional Coverage – Civil Authority begins 24 hours after the time of action of civil authority, subject to all other provisions of that Additional Coverage.

B. If the Schedule indicates that the 72-hour time period is eliminated, then:

1. The 72-hour time period in the definition of "period of restoration" is deleted. Therefore, the period of restoration for Business Income Coverage begins at the time of direct physical loss or damage, subject to all other provisions of the definition of "period of restoration"; and
2. The 72-hour time period in the Civil Authority Additional Coverage is deleted. Therefore, coverage under the Additional Coverage – Civil Authority begins at the time of action of civil authority, subject to all other provisions of that Additional Coverage.

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
WB 1337 01 18**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****WATER BACK-UP AND SUMP PUMP OVERFLOW**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
 BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
 BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
 CONDOMINIUM ASSOCIATION COVERAGE FORM
 CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
 EXTRA EXPENSE COVERAGE FORM

SCHEDULE

Policy Limit of Insurance (Annual Aggregate Limitation Applies)	
\$ 50,000	
Separate Premises Option <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Premises Number	Limit Of Insurance (Annual Aggregate Limitation Applies)
	\$
	\$
	\$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. We will pay for direct physical loss or damage, not caused by your negligence, to Covered Property caused by or resulting from:

1. Water or waterborne material which backs up through or overflows or is otherwise discharged from a sewer or drain; or
2. Water or waterborne material which overflows or is otherwise discharged from a sump, sump pump or related equipment, even if the overflow or discharge results from mechanical breakdown of a sump pump, or its related equipment.

B. With respect to the coverage provided under this endorsement, **Exclusion B.1.g. Water** in CAUSES OF LOSS – BASIC FORM; CAUSES OF LOSS – BROAD FORM; CAUSES OF LOSS – SPECIAL FORM is replaced by the following:

1. Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
2. Mudslide or mudflow;

3. Water under the ground surface pressing on, or flowing or seeping through:

- a. Foundations, walls, floors or paved surfaces;
- b. Basements, whether paved or not; or
- c. Doors, windows or other openings; or

4. Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **1.** or **3.**, or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs **1.** through **4.**, is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if any of the above, in Paragraphs **1.** through **4.**, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage (if sprinkler leakage is a Covered Cause of Loss).

West Bend Mutual Insurance Company
 West Bend, Wisconsin 53095

C. Business Income And Extra Expense

We will pay for business income loss and/or extra expense in accordance with the terms of the Coverage Form applicable to such premises under your policy, when such loss or expense arises out of the direct physical loss or damage described in Paragraph A.

D. Limits Of Insurance**1. Policy Limit**

The most we will pay, for the coverage provided under this endorsement for the total of all direct physical loss or damage and business income and/or extra expense occurring during the policy term is the Policy Limit indicated in the Schedule. This limit does not apply separately to each location.

2. Premises Limit

If the Schedule indicates that the Separate Premises Option applies, then the most we will pay for the coverage provided under this endorsement for the total of all direct physical loss or damage and business income and/or extra expense occurring during the policy term is the Limit Of Insurance, as indicated for each premises. The Limit Of Insurance applies separately to each premises described in the Schedule.

E. Annual Aggregate Limitation

The most we will pay for the total of all direct physical loss or damage sustained and business income and/or extra expense caused by all occurrences in a 12-month period (starting with the beginning of the present annual policy period), regardless of the number of occurrences during that period of time, is the Policy Limit Of Insurance or the Premises Limit Of Insurance described in the Schedule.

With respect to an occurrence which begins in one policy year and continues or results in additional direct physical loss or damage, loss of business income, or extra expense you incur in a subsequent policy year(s), all direct physical loss or damage, loss of business income, or extra expense you incur is deemed to be sustained in the policy year in which the occurrence began.

F. Section D. Deductible applies.**G. For the purposes of this endorsement, the term drain includes a roof drain and related fixtures.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**BUSINESS INCOME COVERAGE
ACTUAL LOSS SUSTAINED
(TWELVE MONTH LIMITATION)**

This endorsement modifies insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

1. Coverage is provided for Business Income (and Extra Expense) including "Rental Value".
2. Paragraph **B. LIMITS OF INSURANCE** is replaced by the following:
The most we will pay for loss in any one occurrence is the actual loss of business income you sustained, not to exceed 12 consecutive months after the date of direct physical loss or damage.
3. All reference to coinsurance in the coverage form is deleted.

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
WB 2906 12 20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PROPERTY ADDITIONAL COVERAGES AND COVERAGE
EXTENSIONS ENDORSEMENT**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT OWNERS COVERAGE FORM**SCHEDULE**☒ **ESSENTIAL** ☐ **ELITE**

COVERAGE EXTENSIONS	LIMITS OF INSURANCE OR TERMS AND CONDITIONS CHANGE	
COVERAGE		
Accounts Receivable	\$ 250,000	At Each Premises
	\$ 5,000	At Premises Not Described
Appurtenant Structures	\$ 5,000	Policy Limit
Building Material Theft – Non-owned Premises	\$ 5,000	Policy Limit
Ordinance Or Law – Building Or Tenant's Improvements And Betterments	Replacement Cost Valuation Required	
	The Lesser of \$ 100,000 or 20% of the Limit of Insurance	Combined Demolition Cost & Increased Cost Of Construction
Electronic Data Processing Equipment and Software	\$ 25,000	At Each Premises
Fine Arts	\$ 25,000	At Each Premises
Increase In Rebuilding Expenses Following Disaster	15%	Additional Expense Coverage/At Each Premises
Lock And Key Replacement	\$ 2,500	Any One Occurrence
Newly Acquired Or Constructed Property		
Building	\$ 1,000,000	At Each Building
Business Personal Property	\$ 500,000	At Each Building
Period Of Coverage	30	Days
Outdoor Fences	Included	
Outdoor Property		
Maximum In Any One Occurrence	\$ 10,000	Any One Occurrence
Maximum Per Tree, Shrub Or Plant	\$ 1,000	Any One Occurrence
Outdoor Signs		
Attached	Included	
Detached	\$ 20,000	At Each Premises

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Personal Property		
Off-premises	\$ 100,000	Up To 90 Days
In Transit	Refer to this Endorsement	Policy Occurrence
Personal Effects	\$ 50,000	At Each Premises
	\$ 2,500	Employee Tools Maximum / At Each Premises
Personal Property Of Others	\$ 25,000	At Each Premises
	\$ 2,500	Employee Tools Maximum / At Each Premises
Portable Tools	Actual Cash Value Coverage	
Maximum In Any One Occurrence	\$ 25,000	Any One Occurrence
Maximum To You Or Any Employee	\$ 5,000	Any One Occurrence
Premises Boundary		Distance Limitation Increased To 1,000 Feet
Property At Fairs Or On Exhibition	\$ 50,000	Any One Occurrence
Property In Custody Of Sales Representatives	\$ 25,000	Any One Occurrence
Rewards	\$ 50,000	Any One Occurrence
Spoilage	\$ 10,000	At Each Premises
Valuable Papers And Records (Other Than Electronic Data)	\$ 250,000	At Each Premises
	\$ 5,000	At Premises Not Described
Water Back Up; Sump Pump Overflow	\$ 5,000	Per Policy / Annual Aggregate
ADDITIONAL COVERAGES		
Business Crime		
Computer Fraud And Funds Transfer Fraud	\$ 5,000	Any One Occurrence
Employee Theft	\$ 10,000	Any One Occurrence
Forgery Or Alteration	\$ 10,000	Any One Occurrence
Identity Theft Expense	\$ 50,000	Policy Period
Kidnap Expense	\$ 50,000	Policy Period
Money And Securities	\$ 5,000	Inside The Premises – Any One Occurrence
	\$ 5,000	Outside The Premises – Any One Occurrence
Money Orders And Counterfeit Money	\$ 5,000	Any One Occurrence
Business Income & Extra Expense	\$ 25,000	At Each Premises
Business Income & Extra Expense		
Civil Authority	None	Waiting Period
Lost Lease Protection	\$ 5,000	Policy Period
Business Income From Dependent Properties	\$ 25,000	Any One Occurrence
Business Travel Accidental Death Benefit	\$ 50,000	Policy Period
Conference Cancellation	\$ 25,000	Policy Period
Debris Removal Additional Limit	\$ 50,000	At Each Location
Donation Assurance	\$ 50,000	Policy Period
Emergency Real Estate Consulting Fee	\$ 50,000	Policy Period
Fire Department Service Charge	\$ 250,000	At Each Premises

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Fire Extinguisher System Recharge Expense	Included	
Fundraising Event Blackout	\$ 25,000	Policy Period
Image Restoration Counseling	\$ 50,000	Policy Period
Officers Or Directors Replacement Expenses	\$ 50,000	Policy Period
Peak Season	100%	Not Applicable To Value Reporting or Blanket
Political Unrest Coverage	\$ 50,000	Policy Period
Pollutant Cleanup And Removal	\$ 25,000	At Each Premises / Annual Aggregate
Temporary Meeting Space Rental	\$ 25,000	Policy Period
Terrorism Travel Reimbursement	\$ 50,000	Policy Period
Travel Delay Reimbursement	\$ 1,500	Per Policy Period / 72 Hour Waiting Period
Underground Pipes, Flues And Drains	Covered Property	
Utility Services Failure – Off Premises	Excluding Overhead Lines	
Workplace Violence Counseling	\$ 50,000	Policy Period

This Limit Of Insurance or Term And Condition is in addition to any other insurance provided by this endorsement and is the most we will apply for loss or damage for the indicated Coverage.

Coverage provided by this endorsement is subject to the Cause of Loss Form attached to this policy and the policy's Deductible provision unless otherwise noted.

Coverages provided by this endorsement are in excess of any other specific coverages that are provided in other Coverage Parts or other Policies, provided by West Bend Mutual Insurance Company.

A. Premises Boundary

1. When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form, under **Section A.1. Covered Property**:

Item **a.** Building, Paragraph **(5)(b)**; item **b.** Your Business Personal Property; item **c.** Personal Property Of Others, Paragraph **(2)**, the distance limitation is amended to read within 1,000 feet of the described premises.

Under **Section A.5. Coverage Extensions** the distance limitation in the first Paragraph is amended to read within 1,000 feet of the described premises.

2. When this endorsement is attached to Condominium Commercial Unit-Owners Coverage Form under **Section A.1. Covered Property**:

Item **a.** Your Business Personal Property; Item **b.(2)** Personal Property Of Others, the distance limitation is amended to read within 1,000 feet of the described premises.

Under **Section A.5. Coverage Extensions** the distance limitation in the first Paragraph is amended to read within 1,000 feet of the described premises.

3. When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form, under **Section A.1. Covered Property** Item **a.** Building, the following is added:

(6) Appurtenant structures

The most we will pay under this Additional Coverage is the Limit of Insurance shown in the Schedule.

B. Under **Section A.2. Property Not Covered**:

1. Paragraph **a.** is deleted and replaced by:
 - a.** Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities except as provided in the Coverage Extensions. Lottery tickets held for sale are not securities.

2. When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form, and Building coverage applies, Paragraph **m.** is deleted.

3. When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form, Paragraph **q.(2)** is deleted and replaced by:

Radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), all except as provided in the Coverage Extensions.

4. When this endorsement is attached to Condominium Commercial Unit-Owners Coverage Form, Paragraph **k.(2)** is deleted and replaced by:

Radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), all except as provided in the Coverage Extensions.

C. Under **Section A.4. Additional Coverages**

In addition to the Limits Of Insurance under the Building and Personal Property Coverage Form, Condominium Association Coverage Form, or Condominium Commercial Unit-Owners Coverage Form you may extend the insurance provided by this policy to these Additional Coverages.

Unless otherwise indicated, the Limits Of Insurance provided by these Additional Coverages are in addition to **Section C. Limits Of Insurance**.

Unless otherwise indicated **Section D. Deductible** applies to these Additional Coverages.

1. Paragraph **4.a. Debris Removal** is deleted and replaced by:

a. Debris Removal

- (1)** Subject to Paragraphs **(2)**, **(3)** and **(4)**, we will pay your expense to remove debris of Covered Property and other debris that is on the described premises, when such debris is caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.

(2) Debris Removal does not apply to costs to:

- (a) Remove debris of property of yours that is not insured under this policy, or property in your possession that is not Covered Property.
- (b) Remove debris of property owned by or leased to the landlord of the building where your described premises are located, unless you have a contractual responsibility to insure such property and it is insured under this policy;
- (c) Remove any property that is Property Not Covered, including property addressed under the Outdoor Property Coverage Extension;
- (d) Remove property of others of a type that would not be Covered Property under this Coverage Form;
- (e) Remove deposits of mud or earth from the grounds of the described premises;
- (f) Extract "pollutants" from land or water; or
- (g) Remove, restore or replace polluted land or water.

(3) Subject to the exceptions in Paragraph (4) the following provisions apply:

- (a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
- (b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage. However, if no Covered Property has sustained direct physical loss or damage, the most we will pay for removal of debris of other property (if such removal is covered under this Additional Coverage) is \$5,000 at each location.

(4) We will pay up to the additional amount indicated in the Schedule for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:

- (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
- (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if (4)(a) and/or (4)(b) apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus the Limit of Insurance shown in the Schedule.

2. Paragraph c. **Fire Department Service Charge** is deleted and replaced by:

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to the Limit of Insurance shown in the Schedule for service at each premises described in the Declarations, unless a higher limit is shown in the Declarations. Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

This Additional Coverage applies to your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

Section D. Deductible does not apply to this Additional Coverage.

3. Paragraph **d. Pollutant Clean Up And Removal** is deleted and replaced by:

d. Pollutant Clean-up And Removal

We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

The Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each described premises is the Limit of Insurance shown in the Schedule for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

D. The following coverages are added to **Section A.4. Additional Coverages**:

Unless otherwise indicated, the Limits Of Insurance provided by these Additional Coverages are in addition to **Section C. Limits Of Insurance**.

Unless otherwise indicated **Section D. Deductible** applies to these Additional Coverages.

4. Additional Coverages

g. Business Crime

Coverage 1 – Computer Fraud And Funds Transfer Fraud

We will pay up to the Limit of Insurance shown in the Schedule in any one "occurrence":

- (1) Loss resulting directly from a fraudulent:
 - (a) Entry of "electronic data" or "computer program" into; or
 - (b) Change of "electronic data" or computer program within:

any "computer system" owned, leased or operated by you, provided the fraudulent entry or fraudulent charge causes, with regard to Paragraphs **g.(1)(a)** and **g.(1)(b)** above:

(i) "Money, "securities" or "other property" to be transferred, paid or delivered; or

(ii) Your account at a "financial institution" to be debited or deleted.

- (2) Loss resulting directly from a "fraudulent instruction" directing a "financial institution" to debit your transfer account" and to transfer, pay or deliver "money" or "securities" from that account.
- (3) As used in Paragraph **g.(1)** above, fraudulent entry or fraudulent change of "electronic data" or "computer program" shall include such entry or change made by an "employee" acting, in good faith, upon a "fraudulent instruction" received from a computer software contractor who has a written agreement with you to design, implement or service "computer programs" for a computer system" covered under this policy.

We will not pay for:

- (1) Loss resulting from a fraudulent:
 - (a) Entry of "electronic data" or "computer program" into; or
 - (b) Change of "electronic data" or computer program within:

any "computer system" owned, leased or operated by you by a person or organization with authorized access to that "computer system", except when covered under Paragraphs **g.(1)(a)** and **g.(1)(b)** above.
- (2) Loss resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored-value or other cards or the information contained on such cards.
- (3) Loss resulting from the giving or surrendering of property in any exchange or purchase.
- (4) Loss resulting from an "employee" or "financial institution" acting upon any instruction to:
 - (a) Transfer, pay or deliver "money", "securities" or "other property", or
 - (b) Debit or delete your account;

which instruction proves to be fraudulent, except when covered under **g.(2)** above.
- (5) Loss, or that part of any loss, the proof of which is to be existence or amount is dependent upon:

- (a) An inventory computation; or
- (b) A profit and loss computation.

Coverage 2 – Identity Theft Expense

We will reimburse any present director or officer of the named insured, for "identity theft expenses" incurred as the direct result of any "identity theft" first discovered and reported during the policy period, provided that it began to occur subsequent to the effective date of the insured's first policy with us.

The Limit of Insurance for this coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

Coverage 3 – Kidnap Expense

We will pay on behalf of any officer or director of the insured, reasonable fees incurred as a result of the kidnapping of them or their spouse, "domestic partner", parent or child during the policy period. Coverage will not apply to any kidnapping by or at the direction of any present or former family member of the victim.

Reasonable fees include:

- (1) Fees and expenses of an independent negotiator or consultant retained with prior approval from us;
- (2) Costs of travel and accommodations incurred by the named insured which become necessary due to the applicable kidnapping;
- (3) The reward paid by the named insured, which is pre-approved by us, to an informant for information not otherwise available which leads to the arrest and conviction of persons responsible for any damages under this policy; and
- (4) The current salary of your officer or director who is kidnapped.

Salary shall be paid for a period commencing upon abduction and ceasing upon:

- (1) The release of the employee or discovery of the death of the employee; or
- (2) 120 days after we receive the last credible evidence that the "employee" is still alive; or
- (3) Twelve (12) months after the date of the kidnapping; or
- (4) The exhaustion of the kidnap expense limit,

whichever comes first.

The Limit of Insurance for this coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

Coverage 4 – Employee Theft

We will pay up to the Limit of Insurance shown in the Schedule in any one "occurrence" for loss of or damage to "money", "securities" and "other property" resulting directly from "theft" committed by an "employee", whether identified or not, acting alone or in collusion with other persons.

For the purposes of this coverage, "theft" shall also include forgery.

Coverage 5 – Forgery Or Alteration

We will pay up to the Limit of Insurance shown in the Schedule in any one "occurrence" for loss resulting directly from "forgery" or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:

- (1) Made or drawn by or drawn upon you; or
- (2) Made or drawn by one acting as your agent;

or that are purported to have been so made or drawn.

For the purposes of this coverage, a substitute check as defined in the Check Clearing for the 21st Century Act shall be treated the same as the original it replaced.

If you are sued for refusing to pay any instrument covered above, on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense. The amount that we will pay is in addition to the Limit of Insurance applicable to this coverage.

Coverage 6 – Money And Securities

We will pay up to the Limit of Insurance shown in the Schedule in any one "occurrence" for loss of "money" and "securities" inside the "premises" or "financial institution premises" resulting directly from "theft", disappearance or destruction.

We will pay up to the Limit of Insurance shown in the Schedule in any one "occurrence", for loss of "money" and "securities" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from "theft", disappearance or destruction.

Coverage 7 – Money Orders and Counterfeit Money

We will pay up to the Limit of Insurance shown in the Schedule in any one "occurrence" for loss resulting directly from your having, in good faith, accepted in exchange for merchandise, "money" or services:

- (a) Money orders issued by any post office, express company or "financial institution" that are not paid upon presentation; or
- (b) "Counterfeit money" that is acquired during the regular course of business.

Under Business Crime **Coverage 1** – Computer Fraud And Funds Transfer Fraud, **Coverage 2** – Identity Theft Expense, **Coverage 3** – Kidnap Expense, **Coverage 4** – Employee Theft, **Coverage 5** – Forgery Or Alteration, **Coverage 6** – Money And Securities and **Coverage 7** – Money Orders And Counterfeit Money we will not pay for:

- (1) Loss resulting from "theft" or any other dishonest act committed by:
 - (a) You; or
 - (b) Any of your partners or "members"; whether acting alone or in collusion with other persons.
- (2) Loss resulting from "theft" or any other dishonest act committed by any of your "employees", "managers", directors, trustees or authorized representatives:
 - (a) Whether acting alone or in collusion with other persons; or
 - (b) While performing services for you or otherwise;
 except when covered under **Coverage 4** – Employee Theft.

- (3) Loss that is an indirect result of an "occurrence" covered by this insurance including, but not limited to, loss resulting from:
 - (a) Your inability to realize income that you would have realized had there been no loss of or damage to "money", "securities" or "other property".
 - (b) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this insurance; or
 - (c) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.
- (4) Fees, costs and expenses incurred by you which are related to any legal action, except when covered under **Coverage 5** – Forgery or Alteration.
- (5) Loss involving virtual currency of any kind, by whatever name known, whether actual or fictitious including, but not limited to, digital currency, crypto currency or any other type of electronic currency.

Under **Coverage 4** – Employee Theft, we will not pay for:

- (1) Loss caused by an "employee" if the "employee" had also committed "theft" or any other dishonest act prior to the effective date of this insurance and you or any of your partners, "members", "managers", officers, directors or trustees, not in collusion with the "employee", learned of such "theft" or dishonest act prior to the Policy Period shown in the Declarations.
- (2) Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
 - (a) An inventory computation; or
 - (b) A profit and loss computation.
 However, where you establish wholly apart from such computations, that you have sustained a loss, then you may offer your inventory records and actual physical count of inventory in support of the amount of loss claimed.
- (3) Loss resulting from trading, whether in your name or in a genuine or fictitious account.

- (4) Loss resulting from fraudulent or dishonest signing, issuing, canceling or failing to cancel, a warehouse receipt or any papers connected with it.

Under **Coverage 6 – Money & Securities** we will not pay for:

- (1) Loss resulting from accounting or arithmetical errors or omissions.
- (2) Loss resulting from the giving or surrendering of property in any exchange or purchase.
- (3) Loss of property contained in any money operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.
- (4) Loss of or damage to property after it has been transferred or surrendered to a person or place outside the "premises" or "financial institution premises":
 - (a) On the basis of unauthorized instructions; or
 - (b) As a result of a threat including, but not limited to:
 - (i) A threat to do bodily harm to any person; or
 - (ii) A threat to do damage to any property;
 - (iii) A threat to introduce a denial of service attached into any computer system;
 - (iv) A threat to introduce a virus or other malicious instruction into any computer system which is designed to damage, destroy or corrupt "electronic data" or "computer programs" stored within the "computer system";
 - (v) A threat to contaminate, pollute or render substandard your products or goods; or
 - (vi) A threat to disseminate, divulge or utilize:
 - (a) Your confidential information;
 - (b) Confidential or personal information of another person or organization; or
 - (c) Weaknesses in the source code within any "computer system".

However, this exclusion does not apply to loss of "money", "securities" or "other property" while outside the "premises" in the care and custody of a "messenger" if you:

- (a) Had no knowledge of a threat at the time the conveyance began; or
- (b) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.

The following Conditions apply to **Business Crime** in addition to the **Common Policy Conditions** and **Commercial Property Conditions**.

Termination As To Any Employee

This insurance terminates as to any "employee" as soon as:

- (a) You; or
- (b) Any of your partners, "members", "managers", officers, directors or trustees not in collusion with the "employee";

learn of "theft" or any other dishonest act committed by the "employee" whether before or after becoming employed by you.

Extended Period To Discover Loss

- (1) We will pay for loss that you sustained prior to the effective date of cancellation of this insurance, which is "discovered" by you no later than one year from the date of that cancellation.
- (2) However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by you, whether from us or another insurer, replacing in whole or in part the coverage afforded hereunder, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

Subject to the conditions **Loss Sustained Partly During This Insurance And Partly During Prior Insurance; and Loss Sustained Entirely During Prior Insurance:**

We will pay if you sustain loss resulting directly from an "occurrence" taking place during the Policy Period shown in the Declarations which is "discovered" by you during the Policy Period shown in the Declarations or during the period of time provided in the **Extended Period To Discover Loss** condition.

Loss Sustained Partly During This Insurance And Partly During Prior Insurance

If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place:

- (1) Partly during the Policy Period shown in the Declarations; and
- (2) Partly during the policy period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest;

and this insurance became effective at the time of cancellation of the prior insurance, we will first settle the amount of loss that you sustained during this Policy Period. We will then settle the remaining amount of loss that you sustained during the policy period(s) of the prior insurance.

The most we will pay for the entire loss is the highest single Limit of Insurance applicable during the period of loss, whether such limit was written under this insurance or was written under the prior insurance issued by us.

Loss Sustained Entirely During Prior Insurance

If you "discover" loss during the Policy Period shown in the Declarations resulting directly from an "occurrence" taking place entirely during the policy period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest, we will pay for the loss, provided:

- (1) This insurance became effective at the time of cancellation of the prior insurance; and
- (2) The loss would have been covered under this insurance had it been in effect at the time of the "occurrence".

We will first settle the amount of loss that you sustained during the most recent prior insurance. We will then settle any remaining amount of loss that you sustained during the policy period(s) of any other prior insurance.

The most we will pay for the entire loss is the highest single Limit of Insurance applicable during the period of loss, whether such limit was written under this insurance or was written under the prior insurance issued by us.

Records

You must keep records of all property covered under this insurance so we can verify the amount of any loss.

Recoveries

- (1) Any recoveries, whether effected before or after any payment under this insurance, whether made by us or you, shall be applied net of the expense of such recovery:
 - (a) First, to you in satisfaction of your covered loss in excess of the amount paid under this insurance;
 - (b) Second, to us in satisfaction of amounts paid in settlement of your claim;
 - (c) Third, to you in satisfaction of any Deductible Amount; and
 - (d) Fourth, to you in satisfaction of any loss not covered under this insurance.
- (2) Recoveries do not include any recovery:
 - (a) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
 - (b) Of original "securities" after duplicates of them have been issued.

Valuation – Settlement

- (1) We will pay for:
 - (a) Loss of "money" but only up to and including its face value. We will, at your option, pay for loss of "money" issued by any country other than the United States of America.
 - (i) At face value in the "money" issued by that country; or
 - (ii) In the United States of America dollar equivalent determined by the rate of exchange published in the Wall Street Journal on the day the loss was "discovered".
 - (b) Loss of "securities" but only up to and including their value at the close of business on the day the loss was "discovered". We may, at our option:
 - (i) Pay the value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or

- (ii) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:
 - (a) Market Value of the "securities" at the close of business on the day the loss was "discovered"; or
 - (b) The Limit of Insurance applicable to the "Securities".
- (c) Loss of or damage to "other property" or loss from damage to the "premises" or its exterior for the replacement cost of the property without deduction for depreciation. However, we will not pay more than the least of the following:
 - (i) The Limit of Insurance applicable to the lost or damaged property;
 - (ii) The cost to replace the lost or damaged property with property of comparable material and quality and used for the same purpose; or
 - (iii) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

We will not pay on a replacement cost basis for any loss or damage:

 - (i) Until the lost or damaged property is actually repaired or replaced; and
 - (ii) Unless the repairs or replacement is made as soon as reasonably possible after the loss or damage.

If the lost or damaged property is not repaired or replaced, we will pay on an actual cash value basis.
- (2) We will, at your option, pay for loss or damage to such property:
 - (a) In the "money" of the country in which the loss or damage occurred; or

- (b) In the United States of America dollar equivalent of the "money" of the country in which the loss or damage was sustained, determined by the rate of exchange published in The Wall Street Journal on the day the loss was "discovered".

- (3) Any property that we pay for or replace becomes our property.

The following Condition applies to **Coverage 4 – Employee Theft.**

Territory

We will pay for loss caused by any "employee" while temporarily outside the territory specified in the Commercial Property Conditions for a period of not more than 90 consecutive days.

The following Condition applies to **Coverage 5 – Forgery or Alteration.**

- (1) The Deductible Amount does not apply to legal expenses paid under **Coverage 5 – Forgery or Alteration** coverage.
- (2) We will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.
- (3) You must include with your proof of loss any instrument involved in that loss, or, if that is not possible, an affidavit setting forth the amount and cause of loss.
- (4) We will cover loss you sustain resulting directly from an "occurrence" taking place within the coverage territory. We also provide coverage in a country that is not the subject of trade embargos, economic sanctions or other trade restrictions by the government of the United States of America.

The following Condition applies to **Coverage 6 – Theft of Money and Securities – Outside the Premises.**

Armored Motor Vehicle Companies

We will only pay for the amount of loss you cannot recover:

- (1) Under your contract with the armored motor vehicle company; and
- (2) From any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

The following **Definitions** apply to **Business Crime** in addition to the Definitions in the Building and Personal Property Coverage Form, Condominium Association Coverage Form, and Condominium Commercial Unit Owners Coverage Form.

- (1) "Computer program" means a set of related electronic instructions, which direct the operation and function of a computer or devices connected to it, which enable the computer or devices to receive, process, store or send "electronic data".
- (2) "Computer system" means:
 - (a) Computers, including Personal Digital Assistants (PDAs) and other transportable or handheld devices, electronic storage devices and related peripheral components;
 - (b) Systems and applications software; and
 - (c) Related communications networks; by which "electronic data" is collected, transmitted, processed, stored or retrieved.
- (3) "Counterfeit money" means an imitation of "money" which is intended to deceive and to be taken as genuine.
- (4) "Discover" or "discovered" means the time when you first become aware of facts which would cause a reasonable person to assume that a loss of a type covered by this insurance has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact amount or details of loss may not then be known.
 "Discover" or "discovered" also means the time when you first receive notice of an actual or potential claim in which it is alleged that you are liable to a third party under circumstances which, if true, would constitute a loss under this insurance.
- (5) "Electronic data" means information, facts, images or sounds stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software) on data storage devices, including hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

(6) "Employee"

(a) Employee means:

(i) Any natural person:

- (a) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to "theft" or any dishonest act committed by the "employee";
- (b) Whom you compensate directly by salary, wages or commissions; and
- (c) Whom you have the right to direct and control while performing services for you;

(ii) Any natural person who is furnished temporarily to you:

- (a) To substitute for a permanent "employee" as defined in Paragraph (i) above, who is on leave; or
- (b) To meet seasonal or short-term work load conditions;

while that person is subject to your direction and control and performing services for you;

(iii) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph (ii) above;

(iv) Any natural person who is a trustee, officer, employee, administrator or manager, except an administrator or manager who is an independent contractor.

(v) Any natural person who is a former "employee", partner, "member", "manager", director or trustee retained by you as a consultant while performing services for you;

(vi) Any natural person who is a guest student or intern pursuing studies or duties;

(vii) Any natural person employed by an entity merged or consolidated with you prior to the effective date of this insurance; and

(viii) Any natural person who is your "manager", director or trustee while:

- (a) Performing acts within the scope of the usual duties of an "employee"; or
 - (b) Acting as a member of any committee duly elected or appointed by resolution of your board of directors or board of trustees to perform specific, as distinguished from general, directorial acts on your behalf.
- (b) "Employee" does not mean any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character not specified in Paragraph (iii) above.
- (7) "Financial institution" under Paragraph **g. Business Crime, Coverage 6 – Money And Securities** means:
- (a) A bank, savings bank, savings and loan association, trust company, credit union or similar depository institution; or
 - (b) An insurance company.
- (8) "Financial institution" under Paragraph **g. Business Crime, Coverage 1 – Computer Fraud And Funds Transfer Fraud** means:
- (a) A bank, savings bank, savings and loan association, trust company, credit union or similar depository institution; or
 - (b) An insurance company; or
 - (c) A stock brokerage firm or investment company
- (9) "Financial institution premises" means the interior of that portion of any building occupied by a "financial institution".
- (10) "Forgery" means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.
- (11) "Fraudulent instruction" under Paragraph **g. Business Crime, Coverage 1 – Computer Fraud And Funds Transfer Fraud Paragraph (1)** means:
- (a) A computer, telefacsimile, telephone or other electronic instruction directing a "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that "transfer account", which instruction purports to have been issued by your, but which in fact was fraudulently issued by someone else without your knowledge or consent; or
 - (b) A written instruction issued to a "financial institution" directing the "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that "transfer account", through an electronic funds transfer system at specified times or under specified conditions, which instruction purports to have been issued by you, but which in fact was issued, forged or altered by someone else without your knowledge or consent.
- (12) "Fraudulent instruction" under Paragraph **g. Business Crime, Coverage 1 – Computer Fraud and Funds Transfer Fraud Paragraph (2)** means:
- A computer, telefacsimile, telephone or other electronic, written or voice instruction directing an "employee" to enter or change "electronic data" or "computer programs" within a "computer system" covered under this insurance, which instruction in fact was fraudulently issued by your computer software contractor.
- (13) "Identity theft" means the act of knowingly transferring or using without lawful authority a means of identification of any Officer or Director (or spouse thereof) of the named insured with the intent to commit or to aid or abet another to commit any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.
- (14) "Identity theft expenses" means:
- (a) Costs for notarizing fraud affidavits or similar documents for financial institutions or similar credit grantors or credit agencies that have required that such affidavits be notarized.
 - (b) Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors.

(c) Loan application fees for re-applying for loan or loans when the original application is rejected solely because the lender received incorrect credit information due to "identity theft".

(15) "Manager" means a natural person serving in a directional capacity for a limited liability company.

(16) "Member" means an owner of a limited liability company represented by its membership interest, who, If a natural person, also may serve as a "manager".

(17) "Messenger" means you, or a relative, or any of your partners or "members", or any "employee" while having care and custody of property outside the "premises".

(18) "Money" means:

- (a) Currency, coins, bank notes in current use and having a face value;
- (b) Travelers checks, and money orders held for sale to the public; and
- (c) Deposits in your account at any "financial institution".

(19) "Occurrence" means:

(a) As respects to **Coverage 4 – Employee Theft**:

- (i) An individual act;
- (ii) The combined total of all separate acts whether or not related; or
- (iii) A series of acts whether or not related;

committed by an "employee" acting alone or in collusion with other persons, during the Policy Period shown in the Declarations, except as provided under Paragraph **g. Business Crime Condition Loss Sustained During Prior Insurance Issued By Us Or Any Affiliate or Loss Sustained During Prior Insurance Not Issued By Us Or Any Affiliate**.

(b) As respects to **Coverage 5 – Forgery or Alteration**, all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments.

- (i) An individual act;
- (ii) The combined total of all separate acts whether or not related; or

(iii) A series of acts whether or not related;

committed by a person acting alone or in collusion with other persons, involving one or more instruments, during the Policy Period shown in the Declarations, except as provided under Paragraph **g. Business Crime Condition Loss Sustained During Prior Insurance Issued By Us Or Any Affiliate or Loss Sustained During Prior Insurance Not Issued By Us Or Any Affiliate**.

(c) As respects to **Coverage 1 – Computer Fraud and Funds Transfer Fraud, Coverage 6 – Theft of Money and Securities Inside the Premises and Outside the Premises, and Coverage 7 – Money Orders and Counterfeit Money**

- (i) An individual act or event;
- (ii) The combined total of all separate acts or events whether or not related; or
- (iii) A series of acts or events whether or not related;

committed by a person acting alone or in collusion with other persons, or not committed by any person, during the Policy Period shown in the Declarations, except as provided under Paragraph **g. Business Crime Condition Loss Sustained During Prior Insurance Issued By Us Or Any Affiliate or Loss Sustained During Prior Insurance Not Issued By Us Or Any Affiliate**.

(20) "Other property" means any tangible property other than "money" and "securities" that has intrinsic value. "Other property" does not include "computer programs", "electronic data" or any property specifically excluded under this insurance.

(21) "Premises" means the interior of that portion of any building you occupy in conducting your business.

(22) "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or property and includes:

- (a) Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and

- (b) Evidence of debt issued in connection with credit or charge cards, which cards are not issued by you;

But does not include "money".

- (23) "Theft" means the unlawful taking of property to the deprivation of the Insured.
- (24) "Transfer account" means an account maintained by you at a "financial institution" from which you can initiate the transfer payment or delivery of "money" or "securities":
- (a) By means of computer, telefacsimile, telephone or other electronic instructions; or
 - (b) By means of written instruction establishing the conditions under which such transfer are to be initiated by such "financial institution" through an electronic funds transfer system.

h. Business Income

Causes of Loss – Special Form, Paragraph B. Exclusions, 4. Special Exclusions, Paragraphs a.(1) through (5) apply to this additional coverage.

Business Income From Dependent Properties

- (1) We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss or damage at the premises of a "dependent property", "secondary contributing location" or "secondary recipient location" caused by or resulting from a Covered Cause of Loss.
- (2) However, this Additional Coverage does not apply when the only loss to "dependent property" is loss or damage to "electronic data", including destruction or corruption of "electronic data". If the "dependent property" sustains loss or damage to "electronic data" and other property, coverage under this Coverage Extension will not continue once the other property is repaired, rebuilt or replaced.
- (3) The most we will pay under this Additional Coverage is the Limit of Insurance shown in the Schedule.

- (4) We will reduce the amount of your Business Income loss, other than Extra Expense, to the extent you can resume "operations", in whole or in part, by using any other available:

- (a) Source of materials; or
- (b) Outlet for your products.

- (5) We will reduce the amount of your Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

- (6) The coverage period for Business Income under this Additional Coverage:

- (a) Begins immediately after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the "dependent property", "secondary contributing location" or "secondary recipient location"; and

- (b) Ends on the date when the property at the premises of the "dependent property", "secondary contributing location" or "secondary recipient location" should be repaired, rebuilt or replaced with reasonable speed and similar quality.

- (7) The Business Income coverage period, as stated in Paragraph (6), does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:

- (a) Regulates the construction, use or repair, or requires the tearing down, of any property; or
- (b) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".

The expiration date of this policy will reduce the Business Income coverage period.

The following **Definitions** apply to Business Income From Dependent Properties in addition to the Building and Personal Property Coverage Form, Condominium Association Coverage Form and Condominium Commercial Unit Owners Coverage Form definitions.

- (1) "Dependent property" means property operated by others whom you depend on to:

(a) Deliver materials or services to you, or to others for your account (Contributing Locations). But any property which delivers any of the following services is not a Contributing Location with respect to such services:

- (i) Water Supply Services;
- (ii) Power supply services;
- (iii) Wastewater removal services; or
- (iv) Communication supply services, including services relating to Internet access or access to any electronic network;

(b) Accept your products or services (Recipient Locations);

(c) Manufacture products for deliver to your customers under contract of sale (Manufacturing Locations); or

(d) Attract customers to your business (Leader Locations).

(2) "Secondary contributing location" is an entity which:

(a) Is not owned or operated by the Contributing Location; and

(b) Delivers materials or services to the Contributing Location which in turn are used by that Contributing Location in providing materials or services to you.

A road, bridge, tunnel, waterway, airfield, pipeline or any other similar area or structure is not a "secondary contributing location".

Any property which delivers any of the following services is not a "secondary contributing location" with respect to such services:

- (a) Water Supply Services;
- (b) Power supply services;
- (c) Wastewater removal services; or
- (d) Communication supply services, including services relating to Internet access or access to any electronic network.

(3) "Secondary recipient location" is an entity which:

(a) Is not owned or operated by the Recipient Location; and

(b) Accepts materials or services to the Recipient Location which in turn accepts your materials or services.

A road, bridge, tunnel, waterway, airfield, pipeline or any other similar area or structure is not a "secondary recipient location".

The "dependent property", "secondary contributing location" or "secondary recipient location" must be located in the coverage territory of this policy.

(4) "Period of restoration" means the period of time that:

(a) Begins immediately after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the "dependent property" (or "secondary contributing location" or "secondary recipient location"); and

(b) Ends on the date when the property at the described premises of the "dependent property" or "secondary contributing location" or secondary recipient location" should be repaired, rebuilt or replaced with reasonable speed and similar quality; or

"Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:

(a) Regulates the construction, use or repair, or requires the tearing down of any property; or

(b) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

(5) "Suspension" means the slowdown or cessation of your business activities.

Section D. Deductible does not apply.

Business Income and Extra Expense

We will pay the actual loss of Business Income and necessary Extra Expense you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by a direct physical loss of or damage to property at premises which are described in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 1,000 feet of such premises.

With respect to the requirements set forth in the preceding Paragraph, if you occupy only part of a building, your premises means:

- (1) The portion of the building which you rent, lease or occupy;
- (2) The area within 1,000 feet of the building or within 1,000 feet of the premises described in the Declarations, whichever distance is greater (with respect to loss of or damage to personal property in the open or personal property in a vehicle); and
- (3) Any area within the building or at the described premises, if that area services, or is used to gain access to, the portion of the building which you rent, lease or occupy.

Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

We will pay Extra Expense (other than the expense to repair or replace property) to:

- (1) Avoid or minimize the "suspension" of business and to continue your "operations" at the described premises or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.
- (2) Minimize the "suspension" of business if you cannot continue your operations.
- (3) To research, replace, or restore the information on damaged valuable papers and records, but only if those expenses reduce the amounts otherwise payable in this Endorsement.

We will also pay Extra Expense to repair or replace property, but only to the extent it reduces the amount of loss that otherwise would have been payable under this coverage extension.

The amount of Business Income loss will be determined based on:

- (1) The Net Income of the business before the direct physical loss or damage occurred;
- (2) The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
- (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
- (4) Other relevant sources of information, including:
 - (a) Your financial records and accounting procedures;
 - (b) Bills, invoices and other vouchers; and
 - (c) Deeds, liens or contracts.

The amount of Extra Expense will be determined based on:

- (1) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
 - (a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
 - (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
- (2) Necessary expenses that reduce the Business Income otherwise incurred.

We will reduce the amount of your Business Income loss, to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.

If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

The following **Definitions** apply to Business Income and Extra Expense in addition to the Definitions in the Building and Personal Property Coverage Form, Condominium Association Coverage Form, and Condominium Commercial Unit-Owners Coverage Form.

(1) "Business Income" means the:

- (a)** Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
- (b)** Continuing normal operating expenses incurred, including payroll.

For manufacturing risks, Net Income includes the net sales value of production.

(2) "Operations" means:

Your business activities occurring at the described premises.

(3) "Period of restoration" means the period of time that:

- (a)** Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and
- (b)** Ends on the earlier of:
 - (i)** The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (ii)** The date when business is resumed at a new permanent location.

"Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:

- (a)** Regulates the construction, use or repair, or requires the tearing down of any property; or

- (b)** Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

(4) "Suspension" means the slowdown or cessation of your business activities.

The most we will pay for loss or damage under this Additional Coverage at each described premises is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

Civil Authority

We will extend this coverage to apply to actual loss of Business Income you sustain caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

- (1)** Access to the area immediately, surrounding the damaged property is prohibited by civil authority as a result of the damage and the described premises are within that area but are not more than one mile from the damaged property; and
- (2)** The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority Coverage will apply for a period of up to 72 hours after the time of the first action of civil authority that prohibits access to the described premises.

Section D. Deductible does not apply.

Lost Lease Protection

We will pay for Business Income and Extra Expense costs you incur for "lost lease interest" due to cancellation of lease contracts by your tenants. Cancellation must result from a direct physical loss by a Covered Cause of Loss to covered real property during the policy period.

"Lost lease interest" means:

The difference between the rent payments you were collecting prior to a covered loss and the total anticipated rental income including any tenant obligations you may be responsible for after the loss or damage has been repaired or rebuilt.

"Lost lease interest" does not include refunds or rebates for prepaid rent payments made on your behalf by tenants, or deposits of any kind made by tenants to a landlord or lessor of other premises.

Coverage begins with the date of direct physical loss and ends on the date when the property should be repaired, rebuilt or replaced with reasonable speed and similar quality.

The most we will pay under this Additional Coverage is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

i. Business Travel Accidental Death Benefit

We will pay a Business Travel Accidental Death Benefit for any expenses incurred by the named insured if a director or officer suffers an "injury" resulting in death or loss of limbs, sight, speech or hearing as described in Paragraph (2) below, while traveling on a common carrier for business purposes during the policy period.

- (1) There will be no coverage if the cause of the "injury" that resulted in loss was:
 - (a) an intentional act by the insured;
 - (b) an act of suicide or attempted suicide, whether or not the deceased was sane or insane at the time of the attempted suicide;
 - (c) an act of war; or
 - (d) a disease process.
- (2) For the purpose of this additional coverage, we will pay the Business Travel Accident Benefit amount if the "injury" resulted in:
 - (a) Physical damage to the body caused by violence, fracture, or an accident during the policy term that results in loss of life not later than 180 days after the policy expiration, the date of cancellation or the date of non-renewal;
 - (b) Accidental loss of limbs or multiple fingers;
 - (c) Total loss of sight, speech or hearing.

"Injury" means any physical damage to the body caused by accident, violence, sickness or disease sustained by a person, including death resulting from any of these at any time.

The Limit of Insurance provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

j. Conference Cancellation

We will reimburse the insured for any business-related expenses, paid by the insured and not otherwise reimbursed, for a canceled conference that an employee was scheduled to attend.

With respect to this coverage:

- (1) The insured employee must have registered for the conference at least 30 days prior to the cancellation; and
- (2) The cancellation must be ordered by a local, state or federal Board of Health or other governmental authority having jurisdiction over the location of the conference.

The limit of insurance provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

k. Donation Assurance

We will reimburse you for "failed donation claim(s)".

- (1) With respect to any "failed donation claim":
 - (a) The donor must never have been in bankruptcy, nor have filed for bankruptcy/reorganization prior to the time said pledge was made to the insured;
 - (b) For non-cash donations, payment will be based on the fair market value of said non-cash donation at the time of the "failed donation claim";
 - (c) In the case of unemployment incapacitation of a donor and as a condition of payment of the "failed donation claim":
 - (i) neither you nor the donor shall have had reason to believe the donor would become unemployed or incapacitated subsequent to the donation date and;
 - (ii) the donor shall be unemployed for at least 60 days prior to us making payment;

(d) No coverage shall be afforded for a written pledge of funds or other measurable tangible property to you dated prior to the policy period;

(e) A donation amount which is to be collected over more than a 12 month period shall be deemed a single donation.

(2) "Failed donation claim" means written notice to the Insured during the Policy Period of:

(a) the bankruptcy or reorganization of any donor whereby such bankruptcy or reorganization prevents the donor from honoring a prior written pledge of funds or other measurable tangible property to the Insured; or

(b) the unemployment or incapacitation of a natural person donor preventing him/her from honoring a prior written pledge of funds or other measurable tangible property to the Insured.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

l. Emergency Real Estate Consulting Fee

We will reimburse you for any realtor's fee or real estate consultant's fee you incur resulting from your need to relocate due to the "unforeseeable destruction" of your principal location as shown on the declarations.

"Unforeseeable destruction" means damage resulting from a "Certified Act of Terrorism", fire, crash or collapse which renders all of the Insured's primary location completely unusable.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

m. Fire Extinguisher Systems Recharge Expense

We will pay:

The cost of recharging or replacing, whichever is less, your fire extinguishers and fire extinguishing systems (including hydrostatic testing if needed) if they are discharged on or within 1,000 feet of the described premises; and

For loss or damage to Covered Property if such loss or damage is the result of an accidental discharge of chemicals from a fire extinguisher or fire extinguishing system.

No coverage will apply if the fire extinguishing system is discharged during installation or testing.

Section D. Deductible does not apply.

n. Fundraising Event Blackout

We will reimburse the insured for fundraising event expenses that are incurred due to the cancellation of a fundraising event caused by the lack of electric supply resulting in a power outage, provided the fundraising event is not re-scheduled. The fundraising event must have been planned at least 30 days prior to the power outage.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

o. Image Restoration Counseling

We will reimburse you for expenses incurred for image restoration and counseling arising out of "improper acts" by any Insured. Covered expenses are limited to:

- (1) The costs of rehabilitation and counseling for the accused Insured provided the Insured is not ultimately found guilty of criminal conduct, said reimbursement to occur after acquittal of the Insured;
- (2) The costs, charged by a recruiter or expended on advertising, of replacing an officer as a result of "improper acts"; and
- (3) Up to \$10,000 for the costs of restoring the Named Insured's reputation and consumer confidence through image consulting.

"Improper acts" means any actual or alleged act of:

- (a) Sexual abuse;
- (b) Sexual intimacy;
- (c) Sexual molestation; and/or
- (d) Sexual assault;

committed by an Insured against any natural person who is not an Insured. Such "improper acts" must have been committed by the Insured while in his or her capacity as an insured.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

p. Officers Or Directors Replacement Expenses

We will pay "Officers or Directors Replacement Expenses" if the executive officer or director suffers an "injury" while in the course of employment during the policy period which results in the loss of life during the policy period.

"Officers or Directors Replacement Expenses" means:

- (1) Costs of advertising the employment position opening;
- (2) Travel, lodging, meal and entertainment expenses incurred in interviewing job applicants for the employment position opening; and
- (3) Miscellaneous extra expenses incurred in finding, interviewing and negotiating with the job applicants, including, but not limited to, overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up employment contracts.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

q. Political Unrest Coverage

We will reimburse any present director, officer, employee or volunteer of the named insured while traveling outside the United States of America for "emergency evacuation expenses" that are incurred as a result of an incident of "political unrest". This "political unrest" must occur during the policy period. No coverage is granted for travel to countries in a state of "political unrest" at the time of departure of the travel.

- (1) "Emergency Evacuation Expense" means:
 - (a) Additional lodging expenses;
 - (b) Additional transportation expenses;
 - (c) The cost of obtaining replacements of lost or stolen travel documents necessary for evacuation from the area of "political unrest"; and
 - (d) Translation services, message transmittals and other communication expenses;

provided these expenses are not otherwise reimbursable.

(2) "Political Unrest" means"

- (a) A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risk to the security of citizens of the United States;
- (b) A long-term condition of disturbance, turmoil or agitation that makes a foreign country dangerous or unstable for citizens of the United States; or
- (c) A condition of disturbance, turmoil or agitation within a foreign country that constrains the United States Government's ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff;

for which either an alert of travel warning has been issued by the United States Department of State.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

r. Temporary Meeting Space Rental

We will reimburse you for the rental of meeting space which is necessitated by the temporary unavailability of your primary office space due to the failure of a climate control system, or leakage of a hot water heater during the policy period. Coverage will exist only for the renting of temporary meeting space required for meeting with parties who are not insured under this policy.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

s. Terrorism Travel Reimbursement

We will reimburse any of your present directors or officers in the event of a "Certified Act of Terrorism" during the policy period which necessitates that he/she incurs "Emergency Travel Expenses".

"Emergency Travel Expenses" means:

- (1) Hotel expenses incurred which directly result from the cancellation of a scheduled transport by a common carrier resulting directly from and within forty-eight hours of a "Certified Act of Terrorism"; and
- (2) The increased amount incurred in air or train fare which may result from rescheduling comparable transport, to replace a similarly scheduled transport canceled by a common carrier in direct response to a "Certified Act of Terrorism".

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

t. Travel Delay Reimbursement

We will reimburse any of your present directors or officers for any non-reimbursable expenses they incur as a result of the cancellation of any regularly scheduled business travel on a common carrier.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

A 72 hour waiting period deductible applies to this Additional Coverage.

u. Workplace Violence Counseling

In the event that an incidence of "workplace violence" occurs we will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by this "workplace violence".

Extra Expense is extended to include the cost of mental health counseling for "employees" following an incident of "workplace violence".

"Workplace violence" means any intentional use of or threat to use deadly force with intent to cause harm and that results in bodily "injury" or death of an insured, and insured's employee or any other person while on your premises.

"Injury" means any physical damage to the body caused by an accident, violence, sickness or disease sustained by a person, including death resulting from any of these at any time.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

E. Coverage Extensions

1. When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form, under **Section A. Coverage Extensions**, Paragraph **5.a. Newly Acquired or Constructed Property** is deleted and replaced by:

a. Newly Acquired or Constructed Property

- (1) **Buildings** – if this policy covers Building, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at locations, other than the described premises, intended for:
 - (i) Similar use as the building described in the Declarations; or
 - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Coverage Extension at each building is the Limit of Insurance shown in the Schedule.

(2) Your Business Personal Property

- (a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:
 - (i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions; or
 - (ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
 - (iii) Business personal property that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Extension at each building is the Limit of Insurance shown in the Schedule.

- (b) This Extension does not apply to:
 - (i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or

- (ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period of Coverage

With respect to insurance provided under this Coverage Extension for Newly Acquired Or Constructed Property, coverage will end when any of the following first occurs:

- (a) This policy expires;
- (b) The number of days shown in the Schedule expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

The limit of insurance provided for this Coverage Extension is in addition to **Section C. Limits Of Insurance.**

Section D. Deductible applies to this Coverage Extension.

2. When this endorsement is attached to Condominium Commercial Unit-Owners Coverage Form under **Section A.5 Coverage Extensions**, Paragraph **a. Newly Acquired Property** is deleted and replaced by:

a. Newly Acquired Property

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to:
 - (a) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions; or
 - (b) Business personal property including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declaration; or
 - (c) Business personal property that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Coverage Extension at each building is the Limit of Insurance shown in the Schedule.

- (2) This Extension does not apply to:

- (a) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or
- (b) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period of Coverage

With respect to insurance provided under this Coverage Extension for Newly Acquired Property, coverage will end when any of the following first occurs:

- (a) This policy expires;
- (b) The number of days shown in the Schedule expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

The limit of insurance provided for this Coverage Extension is in addition to **Section C. Limits Of Insurance.**

Section D. Deductible applies to this Coverage Extension.

3. Paragraph **b. Personal Effects and Property Of Others** is deleted and replaced by:

b. Personal Effects and Property Of Others

You may extend the insurance that applies to Your Business Personal Property to apply to:

- (1) Personal Effects owned by you, your officers, your partners or members, your managers or your employees. This Extension does not apply to loss or damage by theft.

The most we will pay for loss or damage to Personal Effects under this Coverage Extension at each described premises is the Limit of Insurance shown in the Schedule, subject to the separate Employee Tools Maximum Limit of Insurance applicable at each described premises.

- (2) Personal Property of Others in your care, custody or control. The most we will pay for loss or damage to Personal Property of Others under this Coverage Extension at each described premises is the Limit of Insurance shown in the Schedule, subject to the separate Employee Tools Maximum Limit of Insurance applicable at each described premises. Coverage applies on a Replacement Cost basis when Business Personal Property valuation is Replacement Cost.

If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the lessor of the replacement cost of the property or the applicable Limit of Insurance.

The limit of insurance provided for this Coverage Extension is in addition to **Section C. Limits Of Insurance.**

Section D. Deductible does not apply to this Coverage Extension.

4. Paragraph **c. Valuable Papers and Records – (Other Than Electronic Data)** is deleted and replaced by:

c. Valuable Papers And Records

You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records, including those which exist as electronic data, for which duplicates do not exist.

We do not pay for loss caused by electrical or magnetic damage, disturbance, or erasure of electronic recordings. But we do cover loss or damage, disturbance, or erasure caused by lightning.

We do not pay for loss caused by errors or omissions in processing, duplicating, or copying. But if errors or omissions result in a fire or explosion, we do cover the loss or damage caused by the fire or explosion.

The most we will pay for loss or damage under this Coverage Extension at each described premises and for "valuable papers and records" not at the described premises are the Limits of Insurance shown in the Schedule.

The limit of insurance provided for this Coverage Extension is in addition to **Section C. Limits Of Insurance.**

Section D. Deductible does not apply to this Coverage Extension.

5. Paragraph **d. Property Off-Premises** is deleted and replaced by:

d. Property Off-Premises

You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:

- (1) Temporarily at a location you do not own, lease or operate; or
- (2) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term.

This Coverage Extension does not apply to Covered Property:

- (1) In or on a vehicle;
- (2) In the care, custody or control of your salesperson;
- (3) At any fair or exhibition;
- (4) Owned by you, or for which you are legally liable, that is to be installed by you or at your direction, while the property is at a jobsite location.
- (5) Money and securities;
- (6) Contractors equipment or tools used to conduct your operations away from the described premises;
- (7) Accounts receivable; or
- (8) Valuable papers.

The most we will pay for loss or damage under this Coverage Extension is the Limit of Insurance shown in the Schedule. Insurance under this Coverage Extension will end when any of the following first occurs:

- (1) This policy expires, or
- (2) 90 days expire after your Covered Property is temporarily at a location you do not own, lease or operate.

The limit of insurance provided for this Coverage Extension is in addition to **Section C. Limits Of Insurance.**

Section D. Deductible does not apply to this Coverage Extension.

6. Paragraph **e. Outdoor Property** is deleted and replaced by:

e. Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to your radio and television antennas (including satellite dishes), trees, shrubs and plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), including debris removal expense, caused by or resulting from the following causes of loss if they are Covered Causes of Loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or Civil Commotion; or
- (5) Aircraft.

The most we will pay for loss or damage under this Coverage Extension is the Maximum Limit of Insurance for all items, subject to the separate Maximum Limit of Insurance applicable to each tree, shrub or plant, shown in the Schedule. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

Subject to all aforementioned terms and limitations of coverage, this Coverage Extension includes the expense of removing from the described premises the debris of trees, shrubs and plants which are the property of others, except in the situation in which you are a tenant and such property is owned by the landlord of the described premises.

The limit of insurance provided for this Coverage Extension is in addition to **Section C. Limits Of Insurance**.

Section D. Deductible does not apply to this Coverage Extension.

- F. The following coverages are added to **Section A.5. Coverage Extensions**:

5. Coverage Extensions

In addition to the Limits Of Insurance under the Building and Personal Property Coverage Form, Condominium Association Coverage Form, or Condominium Commercial Unit-Owners Coverage Form you may extend the insurance provided by this policy to these Coverage Extensions.

Unless otherwise indicated, the Limits Of Insurance provided by these Coverage Extensions are in addition to **Section C. Limits Of Insurance**.

Unless otherwise indicated **Section D. Deductible** applies to these Coverage Extensions.

h. Building Material Theft

We will pay for loss or damage by theft or attempted theft of building materials and supplies not attached as part of the building or structure located either on or off premises owned by you.

The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Schedule.

i. Accounts Receivable

You may extend the insurance that applies to Your Business Personal Property to apply to your accounts receivable records.

In the event of a loss to your accounts receivable records caused by a covered peril, we cover:

- (1) The sums that are due and that you cannot collect from your customers because of the loss;
- (2) The interest charge on a loan if that loan is used to offset those sums that cannot be collected, pending our payment of those sums;
- (3) Collection costs that result from a loss which are above your normal collection costs; and
- (4) The reasonable cost to reconstruct your accounts receivable records.

We do not pay for loss that results from electrical or magnetic damage, disturbance or erasure of electronic data or records that is caused by:

- (1) Erroneous programming or faulty equipment instructions;
- (2) Faulty or inadequate installation or maintenance of data processing equipment.

But we do cover loss or damage caused by lightning.

We do not pay for loss caused by bookkeeping, accounting, or billing errors or omissions.

If a loss occurs and you cannot establish the actual accounts receivable amount due, it will be determined as follows:

- (1) We will determine the average monthly accounts receivable for the 12-month period that directly precedes the month in which the loss occurred; and
- (2) We will adjust this average amount for any verifiable variance in the accounts receivable amount for the month in which the loss occurred.

We do not cover more than your insurable interest in any property.

We will pay the lesser of:

- (1) The total sum of accounts receivable due. From this total we will deduct:
 - (a) All amounts due from the accounts receivable records that are not lost;
 - (b) All amounts due that can be established by other means;
 - (c) All amounts due that you have collected from the records that are lost;
 - (d) All unearned interest and service charges; and
 - (e) An amount to allow for bad debts.
- (2) The reasonable cost to reconstruct your accounts receivable.

The most we will pay for loss or damage under this Coverage Extension at each described premises, and for accounts receivable not at the described premises are the Limits of Insurance shown in the Schedule.

j. Increase In Rebuilding Expenses Following Disaster

When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form:

If this policy covers building, we will pay under this Coverage Extension for increased expenses actually incurred from a covered cause of loss to a covered building if all of the following conditions are met.

- (1) The event that caused the covered loss:
 - (a) Results in declaration of a state of disaster by federal or state authorities; or
 - (b) Occurs in close temporal proximity to the event that results in the declaration of disaster by federal or state authorities;
- (2) Expenses for labor and/or building materials for repair or replacement of the damaged property increase as a result of the disaster and the total cost of repair or replacement exceeds the applicable Limit of Insurance due to such increase in expenses.
- (3) You elect to repair or replace the damage building; and

- (4) You notified us, within 30 days of completion, of any improvements, alterations or additions to the building which increase the replacement cost of the building by 5% or more and allowed us to adjust the Limit of Insurance, if necessary, to maintain the required insurance-to-value.

The Additional Expense Coverage available for the extra expense of repair or replacement of a covered building is determined as follows:

Apply the percentage indicated in the Schedule to:

- (a) The Limit Of Insurance shown in the Declarations as applicable to the building when such limit covers only that building (exclusive of contents); or
- (b) The value of the building when insurance is written on a blanket basis.

However, if the building is subject to a lower Limit of Insurance (sub-limit) for the Covered Cause of Loss that caused the loss, then the applicable percentage indicated in the Schedule will be applied to that sub-limit.

- (5) If a Coinsurance penalty or similar penalty for inadequate insurance applies to the covered loss to the building in accordance with the terms of this policy, then the maximum amount of Additional Expense Coverage will be decreased in the same proportion. (In determining compliance with the policy's Coinsurance or similar requirement, the increase in expenses attributable to the disaster will be disregarded.)

When payments reach the maximum amount of Additional Expense Coverage, such coverage will not apply to a subsequent event which occurs in the same annual policy term.

In determining the expenses payable, we will deduct any expenses recovered under any Business Income and/or Extra Expense Coverage Forms or this endorsement.

k. Rewards

We will pay, up to the Limit of Insurance shown in the Schedule for information which leads to the arrest and conviction of the person(s) who caused the loss covered under this coverage part. Regardless of the number of persons involved in providing information our liability under this Coverage Extension will not be increased.

This Coverage Extension does not apply to:

- (1) you;
- (2) your family members; or
- (3) your employees, volunteers or independent contractors.

Section D. Deductible does not apply to this Coverage Extension.

l. Outdoor Signs**(1) Detached Outdoor Signs**

- (a) When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form detached signs are added as Covered Property – Building (**Section A.1.a.**) or Covered Property – Business Personal Property (**Section A.1.b.**).
- (b) When this endorsement is attached to Condominium Commercial Unit-Owners Coverage Form detached signs are added as Covered Property Business Personal Property (**Section A.1.a.**).

The provision in the Limits Of Insurance section which pertains to outdoor signs does not apply. The most we will pay for loss or damage under this Coverage Extension for Detached Outdoor Signs at each described premises is the Limit of Insurance shown in the Schedule.

(2) Attached Outdoor Signs

- (a) When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form attached signs are added as Covered Property – Buildings (**Section A.1.a.**) or Covered Property – Business Personal Property (**Section A.1.b.**).
- (b) When this endorsement is attached to Condominium Commercial Unit-Owners Coverage Form attached signs are added as Covered Property – Business Personal Property (**Section A.1.a.**).

The provision in the Limits Of Insurance section which pertains to outdoor signs does not apply.

m. Outdoor Fences

- (1) When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form outdoor fences are added as Covered Property – Building (**Section A.1.a.**) or Covered Property – Business Personal Property (**Section A.1.b.**).
- (2) When this endorsement is attached to Condominium Commercial Unit-Owners Coverage Form outdoor fences are added as Covered Property – Business Personal Property (**Section A.1.a.**).

n. Fine Arts

You may extend the insurance that applies to your Business Personal Property to apply to your "fine arts".

"Fine arts" means paintings; etchings; pictures; tapestries; rare or art glass; art glass windows; valuable rugs; statuary; sculptures; "antique" furniture; "antique" jewelry; bric-a-brac; porcelains; and similar property of rarity, historical value, or artistic merit.

"Antique" means an object having value because its:

- (1) Craftsmanship is in the style or fashion of former times; and
- (2) Age is 100 years old or older.

We will not pay for loss or damage caused by processing of or work upon the covered property including repairs or restoration.

In the event of a total loss to "fine arts", the value will be based on the lesser of:

- (1) The market value at the time of the covered loss or damage;
- (2) The cost to repair or restore the covered "fine arts" to the condition immediately before the loss or damage; or
- (3) The cost of a replacement with substantially identical property.

In the event of a partial loss or damage to "fine arts", the value will be based on:

- (1) The cost to repair or restore the covered "fine arts" to the condition immediately before the loss or damage; or
- (2) The difference between the value of the pair or set before and after the covered loss or damage.

The cost to repair or restore will not exceed the value the pair or set had prior to the loss.

If a covered loss to "fine arts" involves a pair or set and part of the pair or set is undamaged:

- (1) You may surrender the undamaged part of the pair or set to us, and the covered loss will be valued on the basis of a total loss to the entire pair or set; or
- (2) You may keep the undamaged part of the pair or set, and the covered loss will be valued on the basis of a partial loss to the entire pair or set.

You must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss.

The most we will pay for loss or damage under this Coverage Extension at each described premises is the Limit of Insurance shown in the Schedule.

o. Property At Fairs Or On Exhibition

You may extend the insurance provided by this policy to apply to your Covered Property and Personal Property of Others while at any fair or exhibition not located within 1,000 feet of the premises described in the Declarations. This Extension does not apply to fine arts or your salespersons samples.

The most we will pay for loss or damage under this Coverage Extension is the Limit of Insurance shown in the Schedule.

p. Property In The Custody Of Sales Representatives

You may extend the insurance provided by this policy to apply to your Covered Property in the care, custody or control of a sales representative and not located within 1,000 feet of the premises described in the Declarations.

The most we will pay for loss or damage under this Coverage Extension is the Limit of Insurance shown in the Schedule.

q. Property In Transit

If the Causes of Loss – Special Form is attached, the Additional Coverage Extension **F.1. Property in Transit** is deleted.

We will pay for loss of or damage to Covered Property while in transit.

Coverage is provided while the property is in or on a motor vehicle you own, lease or operate while between points in the coverage territory.

The most we will pay for loss or damage under this Coverage Extension is:

- (1) \$5,000 on Fine Arts;
- (2) \$5,000 on Personal Computers and EDP Equipment;
- (3) \$5,000 on Data and Media;
- (4) \$25,000 on All Other Property except as noted below.

This Coverage Extension does not apply to:

- (1) Money and Securities;
- (2) Covered Property owned by you, or for which you are legally liable, that is to be installed by you or at your direction, while the property is at a jobsite location;
- (3) Property in the care, custody or control of your salesperson;
- (4) Accounts Receivable;
- (5) Valuable Papers; or
- (6) Property of others for which you are responsible as a carrier for hire or car loader, consolidator, broker, freight forwarder, shipping association, or other arranger of transportation.

r. Ordinance Or Law Coverage – Building Or Tenants Improvements and Betterments

If the Replacement Cost option is indicated in the Declarations for a covered Building or covered Tenant's Improvements and Betterments damaged by a covered cause of loss, we will pay:

Coverage A – Coverage for Loss to the Undamaged Portion of the Building or Undamaged Tenant's Improvements And Betterments

With respect to the Building or covered Tenant's Improvements and Betterments that has sustained covered direct physical damage, we will pay under **Coverage A** for the loss in value of the undamaged portion of the building or improvements and betterments as a consequence of a requirement to comply with an ordinance or law that requires demolition of undamaged parts of the same building or improvements and betterments.

We will not pay under **Coverage A** for undamaged improvements and betterments that could be removed from the building, without incurring damage to such improvements and betterments, prior to demolition or repair of the building. Coinsurance Additional Condition applies to coverage for Loss to the Undamaged Portion of the Building.

Coverage B – Demolition Cost Coverage

With respect to the building that has sustained covered direct physical damage, we will pay the cost to demolish and clear the site of undamaged parts of the same building or improvements and betterments as a consequence of a requirement to comply with an ordinance or law that requires demolition of such undamaged property.

We will pay the cost to demolish and clear the undamaged parts of the improvements and betterments, provided that such cost is distinguishable from the cost of demolishing the building and you are responsible for the cost of demolition of the improvements and betterments.

We will not pay under **Coverage B** for demolition of undamaged improvements and betterments that could be removed from the building, without incurring damage to such improvements and betterments, prior to demolition or repair of the building.

The Coinsurance Additional Condition does not apply to Demolition Cost Coverage.

Coverage C – Increased Cost of Construction Coverage

(1) With respect to the building that has sustained covered direct physical damage, we will pay the increased cost to:

- (a) Repair or reconstruct damaged portions of that building or improvements and betterments; or
- (b) Reconstruct or remodel undamaged portions of that building or improvements and betterments, whether or not demolition is required;

when the increased cost is a consequence of a requirement to comply with the minimum standards of the ordinance or law.

However:

(a) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.

(b) We will not pay for the increased cost of construction if the building or improvements and betterments are not repaired, reconstructed or remodeled.

The Coinsurance Additional Condition does not apply to Increased Cost of Construction Coverage.

(2) When a building is damaged or destroyed and **Coverage C** applies to that building in accordance with (1) above, coverage for the increased cost of construction also applies to repair or reconstruction of the following, subject to the same conditions stated in (1):

- (a) The cost of excavations, grading, backfilling and filling;
- (b) Foundation of the building;
- (c) Pilings; and
- (d) Underground pipes, flues and drains.

The items listed in (2)(a) through (2)(d) above are deleted from Property Not Covered, but only with respect to the coverage described in this provision (2).

Loss Payment

All following loss payment provisions are subject to the apportionment procedures set forth in Paragraph (3) under **Application of Coverage(s)**.

Coverage A – Coverage for Loss to the Undamaged Portion of the Building or Undamaged Portion of the Tenants Improvements and Betterments

When there is a loss in value of an undamaged portion of a building or undamaged improvements and betterments, the loss payment for that building or improvements and betterments, including damaged and undamaged portions, will be determined as follows:

(1) If the property is being repaired or replaced on the same or another premises, we will not pay more than the lesser of:

- (a) The amount you would actually spend to repair, rebuild, or reconstruct the property, but not for more than the amount it would cost to restore the property on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or
 - (b) The Limit of Insurance shown in the Declarations as applicable to the covered building or improvements and betterments.
- (2) If the property is not repaired or replaced we will not pay more than the lesser of:
- (a) The actual cash value of the property at the time of loss; or
 - (b) The Limit Of Insurance shown in the Declarations as applicable to the covered building or improvements and betterments.

The insurance provided by **Coverage A** does not increase **Section C. Limits Of Insurance**.

Coverage B – Demolition Cost Coverage and Coverage C – Increased Cost of Construction Coverage Combined

The most we will pay for the total of all covered losses for Demolition Cost and Increased Cost of Construction, is the lesser of the Combined Limit of Insurance of:

- (1) The amount shown in the Schedule; or
- (2) The percentage indicated in the Schedule applied to the covered building(s) or improvements and betterments Limit of Insurance.

Loss payment under Combined Coverage **B – Demolition Cost Coverage** and **Coverage C – Increased Cost of Construction** will be determined as follows:

For Demolition Cost we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.

With respect to the **Increased Cost of Construction Coverage**:

- (1) We will not pay for the increased cost of construction:
 - (a) Until the property is actually repaired or replaced at the same or another premises; and

- (b) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
- (2) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the same premises.
 - (3) If the ordinance or law requires relocation to another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the new premises.

The insurance provided by Combined **Coverage B** and **Coverage C** does not increase **Section C. Limits of Insurance**.

The terms of this coverage apply separately to each building to which this coverage applies.

Under this coverage, we will not pay for loss due to any ordinance or law that:

- (1) You were required to comply with before the loss, even if the building was undamaged; and
- (2) You failed to comply with.
- (3) We will not pay under this Coverage Extension for enforcement of or compliance with any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus" wet or dry rot or bacteria; or

The costs associated with the enforcement of or compliance with any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

Application of Coverage(s)

Coverages A, B and/or C apply only if both (1) and (2) are satisfied and are then subject to the qualifications set forth in (3).

- (1) The ordinance or law:

- (a) Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
- (b) Is in force at the time of loss or the ordinance or law is promulgated or revised after the loss but prior to the commencement of reconstruction or repair and provided that such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.

But coverage under this Coverage Extension applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered under this Coverage Extension.

- (2) (a) The building or improvements or betterments sustains direct physical damage that is covered under this policy and as a result of such damage you are required to comply with the ordinance or law; or
- (b) The building sustains both direct physical damage that is covered under this policy and direct physical damage that is not covered under this policy, and as a result of the building or improvements and betterments damage in its entirety you are required to comply with the ordinance or law.
- (c) But if the building sustains direct physical damage that is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this Coverage Extension even if the building or improvements or betterments has also sustained covered direct physical damage.
- (3) In the situation described in (2)(b) above, we will not pay the full amount of loss otherwise payable under the terms of **Coverages A, B and/or C** of this Coverage Extension. Instead, we will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

However, if the covered direct physical damage, alone, would have resulted in a requirement to comply with the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of **Coverages A, B and/or C** of this Coverage Extension.

To the extent that the Ordinance Or Law Exclusion might conflict with the coverage provided under this endorsement, the Ordinance Or Law Exclusion does not apply to such coverage.

s. Portable Tools

We cover your portable tools and equipment and those of your employees. This includes their containers, spare parts and accessories. We also cover similar property that belongs to others and for which you are liable. Coverage is provided while tools are on or off premises.

We do not cover:

- (1) Property that is held for sale.
- (2) Property that you rent to others.
- (3) Building materials or other materials and supplies.
- (4) Plans, blueprints, designs or specifications.

We will pay in any one occurrence for loss or damage to portable tools, the Maximum Limit of Insurance shown in the Schedule, subject to the separate Maximum Limit of Insurance applicable to you or any employee. Coverage is provided on an Actual Cash Value basis.

If the Cause of Loss – Special Form applies, **Section C. Limitations** Paragraph **2.c.** is deleted and replaced by:

- c. Builders' machinery provided such property is Covered Property. However, this limitation does not apply:
 - (1) If the property is located on or within 1,000 feet of the described premises, unless the premises is insured under the Builders Risk Coverage Form; or
 - (2) To Business Income Coverage or to Extra Expense Coverage.

The limit provided is the only limit available for the described coverage and cannot be combined or added to any other coverage extension under this endorsement.

t. Spoilage

We will pay for loss of or damage to "perishable stock" at the described premises. "Perishable stock" means personal property maintained under controlled conditions for its preservation and susceptible to loss or damage if the controlled conditions change. We will not cover property located on buildings, in the open, or in vehicles.

We will pay for loss or damage to "perishable stock" caused by breakdown or contamination or power outage. Breakdown or contamination means change in temperature or humidity resulting from mechanical breakdown or mechanical failure of refrigerating, cooling, or humidity control apparatus or equipment only while such equipment or apparatus is at the described premises. Breakdown or contamination includes contamination by the refrigerant. Power outage means change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the described premises, due to conditions beyond your control.

We will not pay for loss or damage caused by or resulting from:

- (1) The disconnection of any refrigerating, cooling, or humidity control system from the source of power.
- (2) The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current.
- (3) The inability of an Electrical Utility Company or other power source to provide sufficient power due to:
 - (a) Lack of fuel; or
 - (b) Governmental order.
- (4) The inability of a power source at the described premises to provide sufficient power due to lack of generating capacity to meet demand.
- (5) Breaking of any glass that is a permanent part of any refrigerating, cooling, or humidity control unit.

The most we will pay for loss or damage under this Coverage Extension at each described premises is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply to this Coverage Extension.

u. Lock And Key Replacement

We will pay to re-key, repair or replace locks when there has been direct physical loss or damage to the corresponding "keys" by a Covered Cause of Loss.

This coverage does not apply to:

- (1) Keys to motor vehicles, trailers or any motorized land conveyances whether or not subject to motor vehicle registration.
- (2) Direct physical loss or damage to keys entrusted to any person who is not an "insured".
- (3) Wear and tear.

"Keys" means master key, grand master key or key-card.

We will pay for direct physical loss or damage to alternative locking systems including card programmers, card readers, computers, related alarms, trans-receivers, power supplies, and electronic or mechanical apparatus required to make such locking systems operate. We will also pay for reprogramming such locking systems as a result of a Covered Cause of Loss.

The most we will pay under this Coverage Extension in any one occurrence is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply to this Coverage Extension.

v. Electronic Data Processing Equipment And Software

You may extend the insurance that applies to Your Business Personal Property to apply to your electronic data processing equipment and "software".

We cover direct physical loss or damage caused by a Covered Cause Of Loss to the following property:

- (1) "Hardware".
- (2) "Software".

We cover the cost of research or other expenses necessary to reproduce, replace, or restore lost files or codes on lost or damaged "data records" only if the cost of research or other expenses necessary to reproduce, replace or restore lost files or codes are incurred due to a direct physical loss caused by a Covered Cause Of Loss to "data records".

- (3) "Telecommunications equipment".
- (4) "Reproduction equipment".

Electrical and Power Supply Disturbance

We cover direct physical loss to covered property caused by "electrical disturbance", or "power supply disturbance".

Mechanical Breakdown Coverage

We pay for loss to covered property caused by "mechanical breakdown".

Foreign Transit And Location Coverage

We cover direct physical loss to your "portable computers" including preinstalled "programs and applications" while temporarily at a foreign location or in transit to or from a temporary foreign location outside the coverage territory.

We do not cover your "portable computers" or preinstalled "programs or applications" that are:

- (a) Shipped via mail;
- (b) You are required to provide a negotiable ocean cargo policy or certificate to any seller, buyer, or bank; or
- (c) The property is shipped to or is located in a country that is the subject of a trade embargo, economic sanctions, or other trade restrictions by the government of the United States of America.

The most we pay for loss to portable computers described above in any one occurrence while overseas is \$5,000. This limit is separate from, and not part of, the Electronic Data Processing Equipment And Software Coverage Extension Limit.

Valuation

- (1) The value of "hardware" that is replaced will be based on the cost of replacing the "hardware" with new equipment that is functionally comparable to the "hardware" that is being replaced. The value of "hardware" that is not repaired or replaced will be based on the actual cash value at the time of the loss (with a deduction for depreciation). In no event will we pay more than the reasonable cost of restoring partially damaged "hardware" to its condition directly prior to the damage.

- (2) The value of "programs and applications" will be based on the cost to reinstall the "programs or applications" from the licensed discs that were originally used to install the programs or applications. If the original licensed discs are lost, damaged, or can no longer be obtained, the value of "programs and applications" will be based on the cost of the most current version of the "programs or applications".
- (3) The value of "data records" will be based on the cost of reproduction from duplicate copies. The cost of reproduction includes, but is not limited to, the cost of labor to copy or transcribe from duplicate copies. If duplicate copies do not exist, the value of "data records" will be based on the cost of research or other expenses necessary to reproduce, replace, or restore lost files, documents, or records.
- (4) The value of "media" will be based on the cost to repair or replace the "media" with material of the same kind or quality.
- (5) The value of "telecommunications equipment" and "reproduction equipment" will be based on the replacement cost without any deduction for depreciation.

The following **Definitions** apply to Electronic Data Processing Equipment Coverage in addition to the Building and Personal Property Coverage Form, Condominium Association Coverage Form and Condominium Commercial Unit Owners Coverage Form definitions:

- (1) "Computer hacking" means an unauthorized intrusion:
 - (a) By an individual or group of individuals, whether employed by you or not, into "hardware", "software", or a computer network; and
 - (b) That results in but is not limited to:
 - (i) Deletion, destruction, generation, or modification of "software";
 - (ii) Alteration, contamination, corruption, degradation, or destruction of the integrity, quality, or performance of "software";
 - (iii) Observation, scanning, or copying of "data records", "programs and applications", and proprietary programs;

- (iv) Damage, destruction, inadequacy, malfunction, degradation, or corruption of any "hardware", Web site server, or "media" used with "hardware" or Web site server, or
 - (v) Denial of access to or denial of services from your "hardware", Web site server or your computer network.
- (2) "Computer virus" means the introduction of any malicious, self-replicating electronic data processing code or other code:
 - (a) Into "hardware", "software" or Web site server; and
 - (b) That is intended to result in, but is not limited to:
 - (i) Deletion, destruction, generation, or modification of "software";
 - (ii) Alteration, contamination, corruption, degradation or destruction of the integrity, quality or performance of "software";
 - (iii) Damage, destruction, inadequacy, malfunction, degradation or corruption of any "hardware", Web site server or "media" used with "hardware" or Web site server; or
 - (iv) Denial of access to or denial of services from your "hardware", Web site server or your computer network.
- (3) "Data records" means files, documents, and information in an electronic format and that are stored on "media".
- (4) "Electrical disturbance" means electrical or magnetic damage, disturbance of electronic recordings or erasure of electronic recordings.
- (5) "Hardware" means a network of electronic machine components (microprocessors) capable of accepting instructions and information, processing the information according to the instructions and producing desired results.
 - (a) "Hardware" includes but is not limited to:
 - (i) Personal computers and work stations;
 - (ii) Laptops, palmtops, notebook PCs, other portable computer devices and accessories including, but not limited to, multimedia projectors; and
 - (iii) Peripheral data processing equipment, including but not limited to, printers, keyboards, monitors and modems.
 - (b) "Hardware" does not include:
 - (i) "Software",
 - (ii) "Telecommunications equipment"; and
 - (iii) "Reproduction equipment".
- (6) "Mechanical breakdown" means the malfunction or failure of moving or electronic parts, component failure, faulty installation or blowout.
- (7) "Media" means processing, recording, or storage media used with "hardware". This includes but is not limited to films, tapes, cards, discs, drums, cartridges or cells.
- (8) "Portable computers" means laptops, palmtops, notebook PCs, other portable computer devices and accessories including but not limited to, multimedia projectors.
- (9) "Power supply disturbance" means interruption of power supply, power surge, blackout, or brownout.
- (10) "Programs and applications" means operating programs and applications that you purchase and that are:
 - (a) Stored on "media"; or
 - (b) Pre-installed and stored in "hardware".
- (11) "Reproduction equipment" means a network of equipment and software designed for the scanning, copying, storage, and retrieval of paper documents.
- (12) "Software" means "media", "data records", "programs and applications". "Software" does not mean Web site software.
- (13) "Telecommunications equipment" means telephone components and equipment used for the transmission of communications.
 - "Telecommunications equipment" includes but is not limited to:
 - (a) Telephone switchgear (including PBX systems);

- (b) Telephone operating programs, related software;
- (c) Facsimile transmission equipment;
- (d) Video conferencing equipment; and
- (e) Other related hardware (including computers dedicated to voice mail).

We do not pay for loss or damage that is caused by or results from any direct or indirect loss or damage; or loss of access, loss of use or loss of functionality caused by a "computer virus" or by "computer hacking".

The most we will pay for loss or damage under this Coverage Extension at each described premises is the Limit of Insurance shown in the Schedule.

w. Water Back Up, Sump Pump Overflow

- (1) We will pay for direct physical loss or damage, not caused by your negligence, to covered Building and Business Personal Property caused by or resulting from:
 - (a) water or waterborne material which backs up through or overflows from a sewer or drain; or
 - (b) water or waterborne material which overflows or is otherwise discharged from a sump, sump pump or related equipment even if the overflow or discharge results from mechanical breakdown of a sump pump, or its related equipment.

The term drain includes a roof drain and related fixtures.

- (2) We will not pay for direct loss or damage caused by:
 - (a) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of an body of water, or spray from any of these, all whether driven by wind (including storm surge);
 - (b) Mudslide or mudflow; or
 - (c) Water under the ground surface pressing on, or flowing or seeping through:
 - (i) Foundations, walls, floors or paved surfaces;
 - (ii) Basements, whether paved or not;
 - (iii) Doors, windows or other openings; or

- (d) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.** or **c.**, or material carried or otherwise moved by mudslide or mudflow.

But if any of the above, in Paragraphs **(a)** through **(d)**, results in fire, explosion or sprinkler leakage, we will pay for the loss or damaged caused by that fire, explosion or sprinkler leakage.

We will pay for business income loss and extra expense in accordance with the terms of the coverage applicable to such premises under your policy, when such loss or expense arises out of the direct physical loss or damage described in Paragraph **w.(1)**.

The most we will pay under this Coverage Extension for the total of all direct loss or damage and business income and/or extra expense occurring during the policy term is the Policy Limit of Insurance shown in the Schedule. This limit does not apply separately to each location.

The most we will pay under this Coverage Extension for the total of all direct physical loss or damage sustained and business income and/or extra expense caused by all occurrences in a 12-month period (starting with the beginning of the present annual policy period), regardless of the number of occurrences during that period of time, is the Policy Limit Of Insurance shown in the Schedule.

Section D. Deductible applies to this Coverage Extension.

F. Under Section B. Exclusions and Limitations the following changes apply to **Section B. Exclusions** of the applicable covered Causes of Loss Form:

- 1. Exclusion **1.e. Utility Services** is deleted and replaced by:

e. Utility Services

The failure of power, communication, water, or other utility service supplied to the described premises, however caused, if the failure:

- (1) Originates away from the described premises: or
- (2) Originates at the described premises, but only if such failure involves equipment used to supply the utility service to the described premises from a source away from the described premises.

Failure of any utility service includes lack of sufficient capacity and reduction in supply.

Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

But if the failure or surge of power, or the failure of communications, water or other utility service, results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss. We will also pay for loss or damage resulting from direct physical loss or damage by a covered cause of loss to water supply services, communication supply services, or power supply services, other than overhead transmission, subtransmission, distribution or communication lines not on the described premises.

Communication services include but are not limited to service relating to Internet access or access to any electronic, cellular or satellite network.

For purposes of this provision:

- (1) Water Supply Services, meaning the following types of property supplying water to the described premises:
 - (a) Pumping stations; and
 - (b) Water mains.
- (2) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services, to the described premises, such as:
 - (a) Communication transmission lines, including optic fiber transmission lines;
 - (b) Coaxial cables; and
 - (c) Microwave radio relays except satellites.
- (3) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described premises:
 - (a) Utility generating plants;
 - (b) Switching stations;

- (c) Substations;
- (d) Transformers; and
- (e) Transmission lines.

Transmission lines includes all lines which serve to transmit communication service or power, including lines which may be identified as distribution lines.

The insurance provided by this coverage does not increase **Section C. Limits of Insurance.**

Section D. Deductible applies to this coverage.

2. Exclusion **1.g.(3)** does not apply to loss of or damage to Accounts Receivable, Fine Arts and Valuable Papers.
3. Exclusion **1.g.(4)** does not apply to loss of or damage to Accounts Receivable, Fine Arts and Valuable Papers.
4. If The Causes of Loss – Basic Form is attached, exclusions **2.b.**, **2.c.** and **2.d.** do not apply to loss of or damage to Accounts Receivable, Fine Arts and Valuable Papers.
5. If the Causes of Loss – Broad Form is attached, exclusion **2.b.** does not apply to loss of or damage to Accounts Receivable, Fine Arts and Valuable Papers.
6. If the Causes of Loss – Special Form is attached, exclusions **2.e.**, **2.f.** and **2.g.** do not apply to loss of or damage to Accounts Receivable, Fine Arts and Valuable Papers.

G. Under Section C. LIMITS OF INSURANCE:

The following is added:

Peak Season

You may increase the insurance that applies to Your Business Personal Property or Stock by the percentage shown in the Schedule to provide for seasonal variations if the Limit Of Insurance shown in the Declarations is 80% or more of the insured's average monthly values for the 12 months immediately preceding the date of loss or damage occurs, or the period of time you have been in business as of the date of the loss or damage occurs.

This section does not apply to property covered under a value reporting form or on a blanket basis.

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
WB 34 01 18**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EQUIPMENT BREAKDOWN COVERAGE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
 CONDOMINIUM ASSOCIATION COVERAGE FORM
 CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
 BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
 BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
 EXTRA EXPENSE COVERAGE FORM
 CAUSES OF LOSS – BASIC FORM
 CAUSES OF LOSS – BROAD FORM
 CAUSES OF LOSS – SPECIAL FORM

SCHEDULE

Coverage	Limit
Spoilage	\$50,000
Deductibles	
Combined, All Coverages	\$
Direct Coverages	\$ (*other conditions, if required, will be shown below)
Indirect Coverages	\$
	or hours (*other conditions, if required, will be shown below)
	or Times Average Daily Value
Other Conditions	

A. The following is added to **A.4. Additional Coverages** of the **Building And Personal Property Coverage Form, Condominium Association Coverage Form** and **Condominium Commercial Unit-Owners Coverage Form**:

Additional Coverage – Equipment Breakdown

Additional Coverage Equipment Breakdown is described and limited below. Without an "accident" or "electronic circuitry impairment", there is no Equipment Breakdown Coverage.

1. We will pay for direct physical damage to Covered Property that is the direct result of an "accident" or "electronic circuitry impairment". We will consider "electronic circuitry impairment" to be physical damage to "covered equipment".

West Bend Mutual Insurance Company
 West Bend, Wisconsin 53095

2. The following coverages also apply to the direct result of an "accident" or "electronic circuitry impairment". However, with respect to coverage **2.h. Service Interruption** below and any Dependent Properties coverage provided by this coverage part, coverage will apply only to the direct result of an "accident" and will not apply to the direct result of an "electronic circuitry impairment". These coverages do not provide additional amounts of insurance.

a. Business Income and Extra Expense

- (1) Any insurance provided under the coverage part for Business Income or Extra Expense is extended to the coverage provided by this endorsement.
- (2) The most we will pay for loss or expense under this coverage is the applicable limit for Business Income and Extra Expense.

b. Data Restoration

- (1) We will pay for your reasonable and necessary cost to research, replace and restore lost "data."
- (2) The most we will pay for loss or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is \$25,000.

c. Expediting Expenses

- (1) With respect to your damaged Covered Property, we will pay the reasonable extra cost to:
 - (a) Make temporary repairs; and
 - (b) Expedite permanent repairs or permanent replacement.
- (2) The most we will pay for loss or expense under this coverage is \$25,000.

d. Hazardous Substances

- (1) We will pay your additional cost to repair or replace Covered Property because of contamination by a "hazardous substance". This includes the additional expenses to clean up or dispose of such property.
- (2) This does not include contamination of "perishable goods" by refrigerant, including but not limited to ammonia, which is addressed in **2.i.(1)(b)** below. As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown Coverage had no "hazardous substance" been involved.

- (3) The most we will pay for loss, damage or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is \$25,000.

e. Off Premises Equipment Breakdown

- (1) We will pay for physical damage to transportable "covered equipment" that, at the time of the "accident" or "electronic circuitry impairment", is not at a covered location. As respects this Off Premises Equipment Breakdown coverage only, the "accident" or "electronic circuitry impairment" may occur in any country except one in which the United States has imposed sanctions, embargoes or similar restrictions on the provision of insurance.
- (2) We will also pay for your reasonable and necessary cost to research, replace and restore lost "data" contained within "covered equipment" as described under (1) above. This amount may not exceed the limit applicable to Data Restoration coverage.
- (3) The most we will pay for loss, damage or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, and Data Restoration as described in (2) above is the limit for Property Off-Premises coverage, shown in your policy.

f. Public Relations

- (1) This coverage only applies if you have sustained an actual loss of Business Income covered under this endorsement.
- (2) We will pay for your reasonable costs for professional services to create and disseminate communications, when the need for such communications arises directly from the interruption of your business. This communication must be directed to one or more of the following:
 - (a) The media;
 - (b) The public; or
 - (c) Your customers, clients or members.
- (3) Such costs must be incurred during the "period of restoration" or up to 30 days after the "period of restoration" has ended.
- (4) The most we will pay for loss or expense under this coverage is \$5,000.

g. Resultant Damage to Animals

- (1) Any insurance provided under the coverage part for "animals" is extended to the coverage provided by this endorsement.
- (2) The most we will pay for loss, damage or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is \$25,000.

e. Service Interruption

- (1) Any insurance provided for Business Income, Extra Expense, Data Restoration or Spoilage is extended to apply to your loss, damage or expense caused by a failure or disruption of service. The failure or disruption of service must be caused by an "accident" to equipment, including overhead transmission lines, that is owned by a utility, landlord, a landlord's utility or other supplier who provides you with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, Internet access, telecommunications service, "cloud computing services", wide area networks or data transmission. The equipment must meet the definition of "covered equipment" except that it is not Covered Property.
- (2) "Cloud computing services" must be provided by a professional provider with whom you have a contract.
- (3) With respect to the Data Restoration portion of this Service Interruption coverage, coverage will also apply to "data" stored in the equipment of a provider of "cloud computing services".
- (4) Service Interruption coverage will not apply unless the failure or disruption of service exceeds 24 hours immediately following the "accident". If the interruption exceeds 24 hours, coverage will begin at the time of the disruption, and the applicable deductible will apply.
- (5) The most we will pay in any "one equipment breakdown" for loss, damage or expense under this coverage is the applicable limit for Business Income, Extra Expense, Data Restoration or Spoilage.

i. Spoilage

- (1) We will pay for:

- (a) Physical damage to "perishable goods" due to spoilage;
 - (b) Physical damage to "perishable goods" due to contamination from the release of refrigerant, including but not limited to ammonia;
 - (c) Any necessary expenses you incur to reduce the amount of loss under this coverage to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.
- (2) If you are unable to replace the "perishable goods" before its anticipated sale, the amount of our payment will be determined on the basis of the sales price of the "perishable goods" at the time of the "accident" or "electronic circuitry impairment", less discounts and expenses you otherwise would have had. Otherwise our payment will be determined in accordance with the Valuation condition.
 - (3) The most we will pay for loss, damage or expense under this coverage is \$50,000 unless otherwise shown in the above Schedule.

3. Exclusions

All exclusions in the applicable Causes of Loss form apply except as modified below and to the extent that coverage is specifically provided by this endorsement.

a. The following exclusions are modified:

- (1) If the Causes of Loss – Basic Form or Causes of Loss – Broad Form applies, the following is added to Exclusion **B.2.**:
Depletion, deterioration, corrosion, erosion, wear and tear, or other gradually developing conditions. However if an "accident" or "electronic circuitry impairment" results, we will pay for the resulting loss, damage or expense caused by that "accident" or "electronic circuitry impairment".
- (2) If the Causes of Loss – Special Form applies as respects this endorsement only, the last paragraph of Exclusion **B.2.d.** is deleted and replaced with the following:
But if an excluded cause of loss that is listed in **2.d.(1)** through **(7)** results in an "accident" or "electronic circuitry impairment", we will pay for the loss, damage or expense caused by that "accident" or "electronic circuitry impairment".

b. The following exclusions are added:

(1) We will not pay for loss, damage or expense caused directly or indirectly by any of the following, whether or not caused by or resulting from an "accident" or "electronic circuitry impairment":

- (a) Fire, including smoke from a fire;
- (b) Explosion of gas or unconsumed fuel within the furnace of any boiler or fired vessel or within the passages from that furnace to the atmosphere;
- (c) Any other explosion, except as specifically covered under this endorsement;
- (d) Any earth movement, including but not limited to earthquake, subsidence, sinkhole collapse, landslide, earth sinking, tsunami or volcanic action;
- (e) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spay, all whether driven by wind or not; mudslide or mudflow; or water that back up or overflows from a sewer, drain or sump. However, if electrical "covered equipment" requires drying out because of the above, we will pay for the direct expenses of such drying out subject to the applicable Limit of Insurance and deductible for Building or Business Personal Property, whichever applies; or
- (f) Vandalism.

(2) Coverage under this endorsement does not apply to an "accident" or "electronic circuitry impairment" caused by or resulting from:

- (a) Lightning;
- (b) Windstorm or hail. However this exclusion does not apply when:
 - (i) "Covered equipment" located within a building or structure suffers an "accident" or "electronic circuitry impairment" that results from wind-blown rain, snow, sand or dust; and
 - (ii) The building or structure did not first sustain wind or hail damage to its roof or walls through which the rain, snow, sand or dust entered.
- (c) Smoke; aircraft or vehicles; riot or civil commotion; sprinkler leakage; elevator collision;

(d) Breakage of glass; falling objects; weight of snow, ice or sleet; freezing (caused by cold weather); collapse or molten material;

(e) A hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel, or an electrical insulation breakdown test of any type of electrical equipment; or

(f) Water or other means used to extinguish a fire.

(3) With respect to Business Income, Extra Expense and Service Interruption coverages, we will also not pay for:

(a) Loss caused by your failure to use due diligence and dispatch and all reasonable means to resume business; or

(b) Any increase in loss resulting from an agreement between you and your customer or supplier.

(4) We will not pay for loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an "accident" or "electronic circuitry impairment": Any "fungus", wet rot, dry rot or bacteria, including any presence, growth, proliferation, spread or any activity of "fungus", wet rot, dry rot or bacteria. This includes, but is not limited to, costs arising from clean up, removal, or abatement of such "fungus", wet rot, dry rot or bacteria. However, this exclusion does not apply to spoilage of personal property that is "perishable goods", to the extent that spoilage is covered under Spoilage coverage.

(5) Except as specifically provided under **A.2.b. Data Restoration** or **A.2.g. Resultant Damage to Animals**, we will not pay for loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an "accident" or "electronic circuitry impairment":

(a) Physical loss or damage to "animals";

(b) Loss, interruption or compromise of any research, test or study involving "animals"; or

(c) Loss of income or extra expense resulting from (a) or (b) above.

c. Exclusions **b.(2)(a)**, **b.(2)(b)**, **b.(2)(c)** and **b.(2)(d)** above shall not apply if:

- (1) The excluded cause of loss occurs away from any covered location and causes an electrical surge or other electrical disturbance.
- (2) Such a surge or disturbance is transmitted through utility service transmission lines to the covered location and results in an "accident" or "electronic circuitry impairment"; and
- (3) The loss, damage or expense caused by such surge or disturbance is not covered elsewhere under the policy.

d. Any cause of loss set forth in exclusion **b.(2)(d)** above that is not a Covered Cause of Loss in this coverage part shall be excluded only as respects Service Interruption coverage.

4. Definitions

The following definitions are added with respect to this endorsement only:

a. "Accident"

- (1) "Accident" means a fortuitous event that causes direct physical damage to "covered equipment". The event must be one of the following:
 - (a) Mechanical breakdown, including rupture or bursting caused by centrifugal force;
 - (b) Artificially generated electrical current, including electric arcing that disturbs electrical devices, appliances or wires;
 - (c) Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;
 - (d) Loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or
 - (e) Loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment.

(2) None of the following is an "accident":

- (a) Defect, programming error, programming limitation, computer virus, malicious code, loss of "data", loss of access, loss of use, loss of functionality or other condition within or involving "data" or "media" of any kind; or
- (b) Misalignment, miscalibration, tripping off-line, or any condition which can be corrected by resetting, tightening, adjusting or cleaning, or by the performance of maintenance.

However, if an "accident" results, we will pay for the resulting loss, damage or expense caused by that "accident".

b. "Animal" means any creature of the kingdom Animalia. This includes, but is not limited to amphibians, birds, fish, insects, mammals, reptiles, and worms.

c. "Boilers and vessels" means:

- (1) Any boiler, including attached steam, condensate and feedwater piping; and
- (2) Any fired or unfired pressure vessel subject to vacuum or internal pressure other than the static pressure of its contents.

This term does not appear elsewhere in this endorsement, but may appear in the Schedule.

d. "Cloud computing services" means professional, on-demand, self-service data storage or data processing services provided through the Internet or over telecommunications lines. This includes services known as IaaS (infrastructure as a service), PaaS (platform as a service), SaaS (software as a service) and NaaS (network as a service). This includes business models known as public clouds, community clouds and hybrid clouds. "Cloud computing services" include private clouds if such services are owned and operated by a third party.

e. "Covered equipment"

- (1) "Covered equipment means, Covered Property:
 - (a) That generates, transmits or utilizes energy;
 - (b) Which, during normal usage, operates under vacuum or pressure, other than the weight of its contents; or

- (c) If your lease requires you to maintain it, air conditioning and heating equipment that is part of the building or structure you occupy but do not own.

"Covered equipment" may utilize conventional design and technology or new or newly commercialized design and technology.

- (2) None of the following is "covered equipment":
- (a) Structure, foundation, cabinet or compartment;
 - (b) Insulating or refractory material;
 - (c) Sewer piping, buried vessels or piping, or piping forming a part of a sprinkler or fire suppression system;
 - (d) Water piping other than:
 - (i) Boiler feedwater piping;
 - (ii) Boiler condensate return piping; or
 - (iii) Water piping forming a part of a refrigerating or air conditioning system;
 - (e) "Vehicle" or any equipment mounted on a "vehicle";
 - (f) Satellite, spacecraft or any equipment mounted on a satellite or spacecraft;
 - (g) Dragline, excavation or construction equipment; or
 - (h) Equipment manufactured by you for sale.
- f. "Data" means information or instructions stored in digital code capable of being processed by machinery.
- g. "Electronic circuitry" means microelectronic components, including but not limited to circuit boards, integrated circuits, computer chips and disk drives.
- h. "Electronic circuitry impairment"
- (1) "Electronic circuitry impairment" means a fortuitous event involving "electronic circuitry" within "covered equipment" that causes the "covered equipment" to suddenly lose its ability to function as it had been functioning immediately before such event. This definition is subject to the conditions specified in (2), (3) and (4) below.

- (2) We shall determine that the reasonable and appropriate remedy to restore such "covered equipment's" ability to function is the replacement of one or more "electronic circuitry" components of the "covered equipment".

- (3) The "covered equipment" must be owned or leased by you, or operated under your control.

- (4) None of the following is an "electronic circuitry impairment":

- (a) Any condition that can be reasonably remedied by:

- (i) Normal maintenance, including but not limited to replacing expendable parts, recharging batteries or cleaning;

- (ii) Rebooting, reloading or updating software or firmware; or

- (iii) Providing necessary power or supply.

- (b) Any condition caused by or related to:

- (i) Incompatibility of the "covered equipment" with any software or equipment installed, introduced or networked within the prior 30 days; or

- (ii) Insufficient size, capability or capacity of the "covered equipment".

- (c) Exposure to adverse environmental conditions, including but not limited to change in temperature or humidity, unless such conditions result in an observable loss of functionality. Loss of warranty shall not be considered an observable loss of functionality.

- i. "Hazardous substance" means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.

- j. "Media" means material on which "data" is recorded such as solid state drives, hard disks, optical disks, flash drives, magnetic tapes or floppy disks.

k. "One equipment breakdown" means: If an initial "accident" or "electronic circuitry impairment" causes other "accidents" or "electronic circuitry impairments", all will be considered "one equipment breakdown". All "accidents" or "electronic circuitry impairments" that are the result of the same "accident" or "electronic circuitry impairment" will be considered "one equipment breakdown".

l. "Perishable goods" means personal property maintained under controlled conditions for its preservation, and susceptible to loss or damage if the controlled conditions change.

m. "Production machinery" means any machine or apparatus that processes or produces a product intended for eventual sale. This includes all component parts of such machine or apparatus and any other equipment used exclusively with such machine or apparatus. However, "production machinery" does not mean any boiler, or fired or unfired pressure vessel.

This term does not appear elsewhere in this endorsement, but may appear in the Schedule.

n. "Vehicle" means, as respects this endorsement only, any machine or apparatus that is used for transportation or moves under its own power. "Vehicle" includes, but is not limited to: car, truck, bus, trailer, train, aircraft, watercraft, forklift, bulldozer, tractor or harvester.

However, any property that is stationary, permanently installed at a covered location and that receives electrical power from an external power source will not be considered a "vehicle".

B. The Building and Personal Property Coverage Form, the Condominium Association Coverage Form and the Condominium Unit-Owners Coverage Form are modified as follows.

1. Deductible

The deductible in the Declarations applies unless a separate Equipment Breakdown deductible is shown in the Schedule. If a separate Equipment Breakdown deductible is shown, the following applies.

Only as regards Equipment Breakdown Coverage, provision **D. Deductible** is deleted and replaced with the following:

a. Deductibles for Each Coverage

- (1) Unless the Schedule indicates that your deductible is combined for all coverages, multiple deductibles may apply to any "one equipment breakdown".
- (2) We will not pay for loss, damage or expense under any coverage until the amount of the covered loss, damage or expense exceeds the deductible amount indicated for that coverage in the Schedule. We will then pay the amount of loss, damage or expense in excess of the applicable deductible amount, subject to the applicable limit.
- (3) If deductibles vary by type of "covered equipment" and more than one type of "covered equipment" is involved in any "one equipment breakdown", only the highest deductible for each coverage will apply.

b. Direct and Indirect Coverages

- (1) Direct Coverages Deductibles and Indirect Coverages Deductibles may be indicated in the Schedule.
- (2) Unless more specifically indicated in the Schedule:
 - (a) Indirect Coverages Deductibles apply to Business Income and Extra Expense loss; and
 - (b) Direct Coverages Deductibles apply to all remaining loss, damage or expense covered by this endorsement.

c. Application of Deductibles

(1) Dollar Deductibles

We will not pay for loss, damage or expense resulting from any "one equipment breakdown" until the amount of loss, damage or expense exceeds the applicable Deductible shown in the Schedule. We will then pay the amount of loss, damage or expense in excess of the applicable Deductible or Deductibles, up to the applicable Limit of Insurance.

(2) Time Deductible

If a time deductible is shown in the Schedule, we will not be liable for any loss occurring during the specified number of hours or days immediately following the "accident" or "electronic circuitry impairment". If a time deductible is expressed in days, each day shall mean twenty-four consecutive hours.

(3) Multiple of Average Daily Value (ADV)

If a deductible is expressed as a number times ADV, that amount will be calculated as follows:

The ADV (Average Daily Value) will be the Business Income (as defined in any Business Income coverage that is part of this policy) that would have been earned during the period of interruption of business had no "accident" or "electronic circuitry impairment" occurred, divided by the number of working days in that period. No reduction shall be made for the Business Income not being earned, or in the number of working days, because of the "accident" or "electronic circuitry impairment" or any other scheduled or unscheduled shutdowns during the period of interruption. The ADV applies to the Business Income value of the entire location, whether or not the loss affects the entire location. If more than one location is included in the valuation of the loss, the ADV will be the combined value of all affected locations. For purposes of this calculation, the period of interruption may not extend beyond the "period of restoration". The number indicated in the above Schedule will be multiplied by the ADV as determined above. The result shall be used as the applicable deductible.

2. Conditions

- a. The following conditions are in addition to the Conditions in the Building and Personal Property Coverage Form, the Condominium Association Coverage Form, the Condominium Unit-Owners Coverage Form, the Commercial Property Conditions and the Common Policy Conditions.

(1) Suspension

Whenever "covered equipment" is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss from an "accident" or "electronic circuitry impairment" to that "covered equipment." This can be done by mailing or delivering a written notice of suspension to:

- (a) Your last known address; or
- (b) The address where the "covered equipment" is located.

Once suspended in this way, your insurance can be reinstated only by an endorsement for that "covered equipment". If we suspend your insurance, you will get a pro rata refund of premium for that "covered equipment" for the period of suspension. But the suspension will be effective even if we have not yet made or offered a refund.

(2) Jurisdictional Inspections

If any property that is "covered equipment" under this endorsement requires inspection to comply with state or municipal boiler and pressure vessel regulations, we agree to perform such inspection on your behalf. We do not warrant that conditions are safe or healthful.

- b. As respects this endorsement only, the Valuation Condition in the Building and Personal Property Coverage Form, the Condominium Association Coverage Form and the Condominium Unit-Owners Coverage Form is deleted and replaced with the following:

Valuation

We will determine the value of Covered Property as follows:

- (1) Except as specified otherwise, our payment for damaged Covered Property will be the smallest of:
 - (a) The cost to repair the damaged property;
 - (b) The cost to replace the damaged property on the same site; or
 - (c) The amount you actually spend that is necessary to repair or replace the damaged property.
- (2) The amount of our payment will be based on the most cost-effective means to replace the function, capacity and remaining useful life of the damaged property. This may include the use of generic, used or reconditioned parts, equipment or property.
- (3) Except as described in (4) below, you must pay the extra cost of replacing damage property with property of a better kind or quality or of a different size or capacity.

(4) Environmental, Safety and Efficiency Improvements

If "covered equipment" requires replacement due to an "accident" or "electronic circuitry impairment", we will pay your additional cost to replace with equipment that is better for the environment, safer for people or more energy or water efficient than the equipment being replaced. However, we will not pay to increase the size or capacity of the equipment and we will not pay more than 150% of what the cost would have been to replace with like kind and quality. This provision does not apply to the replacement of component parts or to any property to which Actual Cash Value applies and does not increase any of the applicable limits.

(5) The following property will be valued on an Actual Cash Value basis:

- (a)** Any property that does not currently serve as useful or necessary function for you;
- (b)** Any covered Property that you do not repair or replace within 24 months after the date of the "accident" or "electronic circuitry impairment"; and

Actual Cash Value includes deductions for depreciation.

(6) If any one of the following conditions is met, property held for sale by you will be valued at the sales price as if no loss or damage had occurred, less any discounts and expenses that otherwise would have applied:

- (a)** The property was manufactured by you;
- (b)** The sales price of property is less than the replacement cost of the property; or
- (c)** You are unable to replace the property before its anticipated sale.

(7) Except as specifically provided for under Data Restoration coverage, "data" and "media" will be valued on the following basis:

- (a)** For mass-produced and commercially available software, at the replacement cost.
- (b)** For all other "data" and "media", at the cost of blank "media" for reproducing the records. We will not pay for "data" representing financial records based on the face value of such records.

The most we will pay for loss, damage or expense under this endorsement arising from any "one equipment breakdown" is the applicable Limit of Insurance in the Declarations unless otherwise shown in the Schedule. Coverage provided under this endorsement does not provide an additional amount of insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTOMATIC BUILDING VALUE INCREASE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

The Limit of Insurance for all buildings to which this coverage applies will be automatically increased by an annual percentage on the next renewal.

The amount of increase will be the Limit of Insurance that applies at expiration of the policy multiplied by an annual Building Value Increase Factor. This factor will be based on a construction cost index supplied by a nationally known firm.

This provision does not apply to any building being afforded agreed valuation, blanket coverage, functional building valuation, inflation guard coverage or a coverage without a coinsurance provision.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

YOUR BUSINESS PERSONAL PROPERTY AMENDMENT TENANT GLASS

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

Coverage provided by this endorsement is subject to the Cause of Loss Form attached to this policy and policy's Deductible.

Coverages provided by this endorsement are in excess of any other specific coverages that are provided in other coverage Parts or other Policies.

A. The following is added to paragraph A.1.b. Your Business Personal Property:

(8) Exterior and/or interior Glass will be considered part of your Business Personal Property if:

- (a)** You are a tenant;
- (b)** You have a contractual responsibility to insure such property or to pay for damage to it and
- (c)** This policy does not insure the building or structure.

B. Paragraph A.1.c. Personal Property of Others is replaced by the following:

1. Covered Property

c. Personal Property of Others

(1) Personal property of others that is:

- (a)** In your care, custody or control; and
- (b)** Located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or structure or within 100 feet of the premises described in the Declarations, whichever distance is greater.

(2) Personal Property of Others includes exterior and/or interior glass that is part of the building or structure described in the Declaration only if:

- (a)** You are a tenant;
 - (b)** You have a contractual responsibility to insure such property or to pay for damage to it; and
 - (c)** This policy does not insure the building or structure.
- (3)** Our payment for loss of or damage to property covered under Personal Property of Others will only be for the account of the owner of the property.
- (4)** If you are contractually liable for a specific amount, we will pay the least of the following:
- (a)** The amount for which you are contractually liable;
 - (b)** The amount determined in accordance with the applicable Valuation Condition or any provision which replaces it; or
 - (c)** The Limit of Insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER SUITE COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM
 BUSINESSOWNERS SPECIAL PROPERTY COVERAGE FORM
 COMMERCIAL PROPERTY COVERAGE PART

SCHEDULE

Cyber Suite Annual Aggregate Limit:	<u>\$ Not Applicable</u>
First Party Annual Aggregate Limit:	<u>\$ 100,000</u>
Third Party Annual Aggregate Limit:	<u>\$ 100,000</u>
Cyber Suite Deductible Per Occurrence:	<u>\$ 1,000</u>
FIRST PARTY COVERAGES	
DATA COMPROMISE RESPONSE EXPENSES	<u>Included</u>
Sublimits Per Occurrence	
Forensic IT Review:	<u>\$ 50,000</u>
Legal Review:	<u>\$ 50,000</u>
Public Relations:	<u>\$ 5,000</u>
Regulatory Fines and Penalties (Not applicable in KS):	<u>\$ 50,000</u>
PCI Fines and Penalties:	<u>\$ 50,000</u>
COMPUTER ATTACK	<u>Included</u>
Sublimits Per Occurrence	
Loss of Business:	<u>\$ 50,000</u>
Public Relations:	<u>\$ 5,000</u>
CYBER EXTORTION	<u>Included</u>
Sublimit Per Occurrence:	<u>\$ 10,000</u>
MISDIRECTED PAYMENT FRAUD:	<u>Included</u>
Sublimit Per Occurrence:	<u>\$ 10,000</u>
COMPUTER FRAUD:	<u>Included</u>
Sublimit Per Occurrence:	<u>\$ 10,000</u>
THIRD PARTY COVERAGES	
DATA COMPROMISE LIABILITY	<u>Included</u>
NETWORK SECURITY LIABILITY	<u>Included</u>
ELECTRONIC MEDIA LIABILITY	<u>Included</u>
IDENTITY RECOVERY COVERAGE	
Annual Aggregate Limit Per "Identity Recovery Insured":	<u>\$ 25,000</u>
Deductible Per Occurrence:	<u>None</u>
Sublimits Per Occurrence	
Lost Wages and Child and Elder Care Expenses:	<u>\$ 5,000</u>
Mental Health Counseling:	<u>\$ 1,000</u>
Miscellaneous Unnamed Costs:	<u>\$ 1,000</u>

West Bend Mutual Insurance Company
 West Bend, Wisconsin 53095

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Throughout this Coverage Endorsement (hereinafter referred to as "Cyber Coverage"), the words "you" and "your" refer to the Named Insured(s) shown in the Declarations, and any other person(s) or organization(s) qualifying as a Named Insured under this Cyber Coverage. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in "quotations" have special meaning. Refer to **DEFINITIONS**.

Coverage under this endorsement is subject to the following: The terms and conditions of the Cancellation Clause of the Common Policy Conditions and any amendment to such terms incorporated by endorsement are hereby incorporated herein and shall apply to coverage as is afforded by this Cyber Coverage, unless specifically stated otherwise in an endorsement(s) attached hereto.

A. COVERAGE

This section lists the coverages that apply if indicated in the Schedule.

1. Data Compromise Response Expenses

a. Data Compromise Response Expenses applies only if all of the following conditions are met:

- (1) There has been a "personal data compromise"; and
- (2) Such "personal data compromise" took place in the "coverage territory"; and
- (3) Such "personal data compromise" is first discovered by you during the "policy period"; and
- (4) Such "personal data compromise" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you.

b. If the conditions listed in a. above have been met, then we will provide coverage for the following expenses when they arise directly from such "personal data compromise" and are necessary and reasonable. Items (4) and (5) below apply only if there has been a notification of the "personal data compromise" to "affected individuals" as covered under item (3) below.

(1) Forensic IT Review

We will pay for a professional information technologies review if needed to determine, within the constraints of what is possible and reasonable, the nature and extent of the "personal data compromise" and the number and identities of the "affected individuals".

This does not include costs to analyze, research or determine any of the following:

- (a) Vulnerabilities in systems, procedures or physical security;
- (b) Compliance with Payment Card Industry or other industry security standards; or
- (c) The nature or extent of "loss" or damage to data that is not "personally identifying information" or "personally sensitive information".

If there is reasonable cause to suspect that a covered "personal data compromise" may have occurred, we will pay for costs covered under Forensic IT Review, even if it is eventually determined that there was no covered "personal data compromise". However, once it is determined that there was no covered "personal data compromise", we will not pay for any further costs.

(2) Legal Review

We will pay for a professional legal counsel review of the "personal data compromise" and how you should best respond to it.

If there is reasonable cause to suspect that a covered "personal data compromise" may have occurred, we will pay for costs covered under Legal Review, even if it is eventually determined that there was no covered "personal data compromise". However, once it is determined that there was no covered "personal data compromise", we will not pay for any further costs.

(3) Notification to Affected Individuals

We will pay your necessary and reasonable costs to provide notification of the "personal data compromise" to "affected individuals".

(4) Services to Affected Individuals

We will pay your necessary and reasonable costs to provide the following services to "affected individuals". Services (c) and (d) below apply only to "affected individuals" from "personal data compromise" events involving "personally identifying information".

(a) Informational Materials

A packet of loss prevention and customer support information.

(b) Help Line

A toll-free telephone line for “affected individuals” with questions about the “personal data compromise”. Where applicable, the line can also be used to request additional services as listed in **(c)** and **(d)** below.

(c) Credit Report and Monitoring

A credit report and an electronic service automatically monitoring for activities affecting an individual's credit records. This service is subject to the “affected individual” enrolling for this service with the designated service provider.

(d) Identity Restoration Case Management

As respects any “affected individual” who is or appears to be a victim of “identity theft” that may reasonably have arisen from the “personal data compromise”, the services of an identity restoration professional who will assist that “affected individual” through the process of correcting credit and other records and, within the constraints of what is possible and reasonable, restoring control over his or her personal identity.

(5) Public Relations

We will pay for a professional public relations firm review of, and response to, the potential impact of the “personal data compromise” on your business relationships.

This includes necessary and reasonable costs to implement public relations recommendations of such firm. This may include advertising and special promotions designed to retain your relationship with “affected individuals”. However, we will not pay for:

- (a)** Promotions provided to any of your directors or employees; or
- (b)** Promotion costs exceeding \$25 per “affected individual”.

(6) Regulatory Fines and Penalties

We will pay for any fine or penalty imposed by law, to the extent such fine or penalty is legally insurable under the law of the applicable jurisdiction.

(7) PCI Fines and Penalties

We will pay for any Payment Card Industry fine or penalty imposed under a contract to which you are a party. PCI (Payment Card Industry) Fines and Penalties do not include any increased transaction costs.

2. Computer Attack

- a.** Computer Attack applies only if all of the following conditions are met:

- (1)** There has been a “computer attack”; and
- (2)** Such “computer attack” occurred in the “coverage territory”; and
- (3)** Such “computer attack” is first discovered by you during the “policy period”; and
- (4)** Such “computer attack” is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you.

- b.** If all the conditions listed in **2.a.** above have been met, then we will provide you the following coverages for “loss” directly arising from such “computer attack”

(1) Data Restoration

We will pay your necessary and reasonable “data restoration costs”.

(2) Data Re-creation

We will pay your necessary and reasonable “data re-creation costs”.

(3) System Restoration

We will pay your necessary and reasonable “system restoration costs”.

(4) Loss of Business

We will pay your actual “business income and extra expense loss” incurred during the “period of restoration”.

(5) Extended Income Recovery

If you suffer a covered “business income and extra expense loss” resulting from a “computer attack” on a “computer system” owned or leased by you and operated under your control, we will pay your actual “extended income loss”.

(6) Public Relations

If you suffer a covered "business income and extra expense loss", we will pay for the services of a professional public relations firm to assist you in communicating your response to the "computer attack" to the media, the public and your customers, clients or members.

3. Cyber Extortion

a. Cyber Extortion applies only if all of the following conditions are met:

- (1) There has been a "cyber extortion threat"; and
- (2) Such "cyber extortion threat" is first made against you during the "policy period"; and
- (3) Such "cyber extortion threat" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first made against you.

b. If all the conditions listed in 3.a. above have been met, then we will pay for your necessary and reasonable "cyber extortion expenses" arising directly from such "cyber extortion threat". The payment of "cyber extortion expenses" must be approved in advance by us. We will not pay for "cyber extortion expenses" that have not been approved in advance by us. We will not unreasonably withhold our approval

c. You must make every reasonable effort not to divulge the existence of this Cyber Extortion coverage.

4. Misdirected Payment Fraud

a. Misdirected Payment Fraud applies only if all of the following conditions are met:

- (1) There has been a "wrongful transfer event" against you; and
- (2) Such "wrongful transfer event" took place in the "coverage territory"; and
- (3) Such "wrongful transfer event" is first discovered by you during the "policy period"; and
- (4) Such "wrongful transfer event" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you; and
- (5) Such "wrongful transfer event" is reported in writing by you to the police.

b. If all the conditions listed above in 4.a. have been met, then we will pay your necessary and reasonable "wrongful transfer costs" arising directly from the "wrongful transfer event".

5. Computer Fraud

a. Computer Fraud applies only if all of the following conditions are met:

- (1) There has been a "computer fraud event" against you; and
- (2) Such "computer fraud event" took place in the "coverage territory"; and
- (3) Such "computer fraud event" is first discovered by you during the "policy period"; and
- (4) Such "computer fraud event" is reported to us within 60 days after the date it is first discovered by you; and
- (5) Such "computer fraud event" is reported in writing by you to the police.

b. If all the conditions listed in 5.a. above have been met, then we will pay your necessary and reasonable "computer fraud costs" arising directly from the "computer fraud event".

6. Data Compromise Liability

a. Data Compromise Liability applies only if all of the following conditions are met:

- (1) During the "policy period" or any applicable Extended Reporting Period, you first receive notice of one of the following:
 - (a) A "claim"; or
 - (b) A "regulatory proceeding".
- (2) Such "claim" or "regulatory proceeding" must arise from a "personal data compromise" that:
 - (a) Took place during the "coverage term"; and
 - (b) Took place in the "coverage territory"; and
 - (c) Was submitted to us and insured under Data Compromise Response Expenses.
- (3) Such "claim" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.

b. If all the conditions listed in 6.a. above have been met, then we will pay on your behalf any covered:

- (1) "Loss" directly arising from the "claim"; or
- (2) "Defense costs" directly arising from a "regulatory proceeding".
- c. All "claims" and "regulatory proceedings" arising from a single "personal data compromise" or interrelated "personal data compromises" will be deemed to have been made at the time that notice of the first of those "claims" or "regulatory proceedings" is received by you.

7. Network Security Liability

- a. Network Security Liability applies only if all of the following conditions are met:
 - (1) During the "policy period" or any applicable Extended Reporting Period, you first receive notice of a "claim" which arises from a "network security incident" that:
 - (a) Took place during the "coverage term"; and
 - (b) Took place in the "coverage territory"; and
 - (2) Such "claim" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.
- b. If all the conditions listed in 7.a. above have been met, then we will pay on your behalf any covered "loss" directly arising from the "claim".
- c. All "claims" arising from a single "network security incident" or interrelated "network security incidents" will be deemed to have been made at the time that notice of the first of those "claims" is received by you.

8. Electronic Media Liability

- a. Electronic Media Liability applies only if all of the following conditions are met:
 - (1) During the "policy period" or any applicable Extended Reporting Period, you first receive notice of a "claim" which arises from an "electronic media incident" that:
 - (a) Took place during the "coverage term"; and
 - (b) Took place in the "coverage territory"; and
 - (2) Such "claim" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.

- b. If all the conditions listed in 8.a. above have been met, then we will pay on your behalf any covered "loss" directly arising from the "claim".
- c. All "claims" arising from a single "electronic media incident" or interrelated "electronic media incidents" will be deemed to have been made at the time that notice of the first of those "claims" is received by you.

9. Identity Recovery

- a. Identity Recovery applies only if all of the following conditions are met:
 - (1) There has been an "identity theft" involving the personal identity of an "identity recovery insured" under this Cyber Coverage; and
 - (2) Such "identity theft" took place in the "coverage territory"; and
 - (3) Such "identity theft" is first discovered by the "identity recovery insured" during the "policy period"; and
 - (4) Such "identity theft" is reported to us within 60 days after it is first discovered by the "identity recovery insured".
- b. If all the conditions listed in 9.a. above have been met, then we will provide the following to the "identity recovery insured":
 - (1) **Case Management Service**
We will pay for the services of an "identity recovery case manager" as needed to respond to the "identity theft"; and
 - (2) **Expense Reimbursement**
We will pay for reimbursement of necessary and reasonable "identity recovery expenses" incurred as a direct result of the "identity theft".

B. EXCLUSIONS

The following additional exclusions apply to this coverage:

We will not pay for costs or "loss" arising from the following:

1. Failure or interruption of, or damage to, any electrical power supply network or telecommunications network not owned and operated by you including, but not limited to, the internet, internet service providers, Domain Name System (DNS) service providers, cable and wireless providers, internet exchange providers, search engine providers, internet protocol networks (and similar networks that may have different designations) and other providers of telecommunications or internet infrastructure.
2. Any attack on, incident involving, or loss to any computer or system of computers that is not a "computer system".
3. Costs to research or correct any deficiency.
4. Any fines or penalties other than those explicitly covered under Data Compromise Response Expenses.
5. Any criminal investigations or proceedings.
6. Your intentional or willful complicity in a covered "loss" event.
7. Your reckless disregard for the security of your "computer system" or data, including confidential or sensitive information of others in your care, custody or control.
8. Any criminal, fraudulent or dishonest act, error or omission, or any intentional or knowing violation of the law by you.
9. Any "personal data compromise", "computer attack", "cyber extortion threat", "wrongful transfer event", "computer fraud event" or "wrongful act" occurring before the "coverage term".
10. That part of any "claim" seeking any non-monetary relief. However, this exclusion does not apply to "defense costs" arising from an otherwise insured "wrongful act".
11. The propagation or forwarding of malware, including viruses, worms, Trojans, spyware and keyloggers in connection with hardware or software created, produced or modified by you for sale, lease or license to third parties.
12. Any oral or written publication of material, if done by you or at your direction with knowledge of its falsity.
13. "Property damage" or "bodily injury" other than mental anguish or mental injury alleged in a "claim" covered under Electronic Media Liability.
14. The theft of a professional or business identity.

15. Any fraudulent, dishonest or criminal act by an "identity recovery insured" or any person aiding or abetting an "identity recovery insured", or by any "authorized representative" of an "identity recovery insured", whether acting alone or in collusion with others. However, this exclusion will not apply to the interests of an "identity recovery insured" who has no knowledge of or involvement in such fraud, dishonesty or criminal act.
16. An "identity theft" that is not reported in writing to the police.

C. LIMITS OF INSURANCE

1. Aggregate Limits

The First Party Annual Aggregate Limit shown in the Schedule is the most we will pay for all "loss" under all the Data Compromise Response Expenses, Computer Attack, Cyber Extortion, Misdirected Payment Fraud, and Computer Fraud coverages in any one "policy period". The First Party Annual Aggregate Limit shown in the Schedule applies regardless of the number of insured events first discovered during the "policy period".

Except for post-judgment interest the Third Party Annual Aggregate Limit shown in the Schedule is the most we will pay for all "loss" under all the Data Compromise Liability, Network Security Liability and Electronic Media Liability coverages in any one "policy period" or any applicable Extended Reporting Period. The Third Party Annual Aggregate Limit shown in the Schedule applies regardless of the number of insured "claims" or "regulatory proceedings" first received during the "policy period" or any applicable Extended Reporting Period.

If a Cyber Suite Annual Aggregate limit is shown in the Schedule, then except for post-judgment interest, the Cyber Suite Annual Aggregate Limit shown in the Schedule is the most we will pay for all "loss" under all applicable coverage sections, except Identity Recovery, in any one "policy period" or any applicable Extended Reporting Period. The Cyber Suite Annual Aggregate Limit shown in the Schedule applies regardless of the number of insured events first discovered or "claims" or "regulatory proceedings" first received during the "policy period" or any applicable Extended Reporting Period.

The Identity Recovery Coverage is subject to the Identity Recovery Limit as shown in the Schedule.

2. Coverage Sublimits**a. Data Compromise Sublimits**

The most we will pay under Data Compromise Response Expenses for Forensic IT Review, Legal Review, Public Relations, Regulatory Fines and Penalties and PCI Fines and Penalties coverages for "loss" arising from any one "personal data compromise" is the applicable sublimit for each of those coverages shown in the Schedule.

These sublimits are part of, and not in addition to, the First Party Annual Aggregate Limit shown in the Schedule. Public Relations coverage is also subject to a limit per "affected individual" as described in **A.1.b.(5)**.

b. Computer Attack Sublimits

The most we will pay under Computer Attack for Loss of Business and Extended Income Recovery coverages for "loss" arising from any one "computer attack" is the applicable Loss of Business sublimit shown in the Schedule. The most we will pay under Computer Attack for Public Relations coverage for "loss" arising from any one "computer attack" is the applicable Public Relations sublimit shown in the Schedule. These sublimits are part of, and not in addition to, the First Party Annual Aggregate Limit shown in the Schedule.

c. Cyber Extortion Sublimit

The most we will pay under Cyber Extortion coverage for "loss" arising from one "cyber extortion threat" is the applicable sublimit shown in the Schedule. This sublimit is part of, and not in addition to, the First Party Annual Aggregate Limit shown in the Schedule.

d. Misdirected Payment Fraud Sublimit

The most we will pay under Misdirected Payment Fraud coverage for "loss" arising from one "wrongful transfer event" is the applicable sublimit shown in the Schedule. This sublimit is part of, and not in addition to, the First Party Annual Aggregate Limit shown in the Schedule.

e. Computer Fraud Sublimit

The most we will pay under Computer Fraud coverage for "loss" arising from one "computer fraud event" is the applicable sublimit shown in the Schedule. This sublimit is part of, and not in addition to, the First Party Annual Aggregate Limit shown in the Schedule.

f. Identity Recovery Sublimits

The following provisions are applicable only to the Identity Recovery Coverage.

- (1) Case Management Service for any one "identity theft" for up to 12 consecutive months from the inception of the service. Expenses we incur to provide Case Management Services do not reduce the Annual Aggregate Limit for Identity Recovery.
- (2) "Identity Recovery Expenses" for Legal Costs are part of, and not in addition to, the Annual Aggregate Limit for Identity Recovery.
- (3) "Identity Recovery Expenses" for Child and Elder Care Expenses are jointly subject to the Lost Wages and Child and Elder Care sublimit shown in the Schedule. This sublimit is part of, and not in addition to, the Annual Aggregate Limit for Identity Recovery. Coverage is limited to wages lost and expenses incurred within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".
- (4) "Identity Recovery Expenses" for Mental Health Counseling is subject to the Mental Health Counseling sublimit shown in the Schedule. This sublimit is part of, and not in addition to, the Annual Aggregate Limit for Identity Recovery. Coverage is limited to counseling that takes place within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".
- (5) "Identity Recovery Expenses" for Miscellaneous Unnamed Costs is subject to the Miscellaneous Unnamed Costs sublimit shown in the Schedule. This sublimit is part of, and not in addition to, the Annual Aggregate Limit for Identity Recovery. Coverage is limited to costs incurred within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".

3. Application of Limits

- a. A "computer attack", "cyber extortion threat", "personal data compromise", "wrongful transfer event", "computer fraud event" or "identity theft" may be first discovered by you in one "policy period" but it may cause insured "loss" in one or more subsequent "policy periods". If so, all insured "loss" arising from such "computer attack", "cyber extortion threat", "personal data compromise", "wrongful transfer event", "computer fraud event" or "identity theft" will be subject to the limit of insurance applicable to the "policy period" when the "computer attack", "cyber extortion threat", "personal data compromise", "wrongful transfer event", "computer fraud event" or "identity theft" was first discovered by you.
- b. You may first receive notice of a "claim" or "regulatory proceeding" in one "policy period" but it may cause insured "loss" in one or more subsequent "policy periods". If so, all insured "loss" arising from such "claim" or "regulatory proceeding" will be subject to the limit of insurance applicable to the "policy period" when notice of the "claim" or "regulatory proceeding" was first received by you.
- c. The limit of insurance for the Extended Reporting Periods (if applicable) will be part of, and not in addition to, the limit of insurance for the immediately preceding "policy period".
- d. Coverage for Services to Affected Individuals under Data Compromise Response Expenses is limited to costs to provide such services for a period of up to one year from the date of the notification to the "affected individuals". Notwithstanding, coverage for Identity Restoration Case Management services initiated within such one year period may continue for a period of up to one year from the date such Identity Restoration Case Management services are initiated.

D. DEDUCTIBLES

1. We will not pay for "loss" until the amount of the insured "loss" exceeds the deductible amount shown in the Schedule. We will then pay the amount of "loss" in excess of the applicable deductible amount, subject to the applicable limits shown in the Schedule. You will be responsible for the applicable deductible amount.

2. The deductible will apply to all:

- a. "Loss" arising from the same insured event or interrelated insured events under Data Compromise Response Expenses, Computer Attack, Cyber Extortion, Misdirected Payment Fraud, or Computer Fraud.
 - b. "Loss" resulting from the same "wrongful act" or interrelated "wrongful acts" insured under Data Compromise Liability, Network Security Liability or Electronic Media Liability.
3. In the event that "loss" is insured under more than one coverage section, only the single highest deductible applies.
 4. Insurance coverage under Identity Recovery is not subject to a deductible.

E. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

1. Bankruptcy

The bankruptcy or insolvency of you or your estate, will not relieve you or us of any obligation under this Cyber Coverage.

2. Defense And Settlement

- a. We shall have the right and the duty to assume the defense of any applicable "claim" or "regulatory proceeding" against you. You shall give us such information and cooperation as we may reasonably require.
- b. You shall not admit liability for or settle any "claim" or "regulatory proceeding" or incur any defense costs without our prior written consent.
- c. At the time a "claim" or "regulatory proceeding" is first reported to us, you may request that we appoint a defense attorney of your choice. We will give full consideration to any such request.
- d. If you refuse to consent to any settlement recommended by us and acceptable to the claimant, we may then withdraw from your defense by tendering control of the defense to you. From that point forward, you shall, at your own expense, negotiate or defend such "claim" or "regulatory proceeding" independently of us. Our liability shall not exceed the amount for which the "claim" or suit could have been settled if such recommendation was consented to, plus "defense costs" incurred by us, and "defense costs" incurred by you with our written consent, prior to the date of such refusal.

e. We will not be obligated to pay any "loss" or "defense costs", or to defend or continue to defend any "claim" or "regulatory proceeding" after the applicable limit of insurance has been exhausted.

f. We will pay all interest on that amount of any judgment within the applicable limit of insurance which accrues:

(1) After entry of judgment; and

(2) Before we pay, offer to pay or deposit in court that part of the judgment within the applicable limit of insurance or, in any case, before we pay or offer to pay the entire applicable limit of insurance.

These interest payments shall be in addition to and not part of the applicable limit of insurance.

3. Due Diligence

You agree to use due diligence to prevent and mitigate "loss" insured under this Cyber Coverage. This includes, but is not limited to, complying with, and requiring your vendors to comply with, reasonable and industry-accepted protocols for:

- a. Providing and maintaining appropriate physical security for your premises, "computer systems" and hard copy files;
- b. Providing and maintaining appropriate computer and Internet security;
- c. Maintaining and updating at appropriate intervals backups of computer data;
- d. Protecting transactions, such as processing credit card, debit card and check payments; and
- e. Appropriate disposal of files containing "personally identifying information", "personally sensitive information" or "third party corporate data", including shredding hard copy files and destroying physical media used to store electronic data.

4. Duties in the Event of a Claim, Regulatory Proceeding or Loss

a. If, during the "policy period", incidents or events occur which you reasonably believe may give rise to a "claim" or "regulatory proceeding" for which coverage may be provided hereunder, such belief being based upon either written notice from the potential claimant or the potential claimant's representative; or notice of a complaint filed with a federal, state or local agency; or upon an oral "claim", allegation or threat, you shall give written notice to us as soon as practicable and either:

(1) Anytime during the "policy period"; or

(2) Anytime during the extended reporting periods (if applicable).

b. If a "claim" or "regulatory proceeding" is brought against you, you must:

(1) Immediately record the specifics of the "claim" or "regulatory proceeding" and the date received;

(2) Provide us with written notice, as soon as practicable, but in no event more than 60 days after the date the "claim" or "regulatory proceeding" is first received by you;

(3) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "regulatory proceeding";

(4) Authorize us to obtain records and other information;

(5) Cooperate with us in the investigation, settlement or defense of the "claim" or "regulatory proceeding";

(6) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to you because of "loss" or "defense costs" to which this insurance may also apply; and

(7) Not take any action, or fail to take any required action, that prejudices your rights or our rights with respect to such "claim" or "regulatory proceeding".

c. In the event of a "personal data compromise", "computer attack", "cyber extortion threat", "wrongful transfer event", "computer fraud event" or "identity theft", insured under this Cyber Coverage, you and any involved "identity recovery insured" must see that the following are done:

(1) Notify the police if a law may have been broken.

(2) Notify us as soon as practicable, but in no event more than 60 days after the event, "claim", "regulatory proceeding" or "loss". Include a description of any property involved.

(3) As soon as possible, give us a description of how, when and where the event, "claim", "regulatory proceeding" or "loss" occurred.

(4) As often as may be reasonably required, permit us to:

(a) Inspect the property proving the "claim" or "loss".

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- (b) Examine your books, records, electronic media and records and hardware;
 - (c) Take samples of damaged and undamaged property for inspection, testing and analysis; and
 - (d) Make copies from your books, records, electronic media and records and hardware.
- (5) Send us signed, sworn proof of "loss" containing the information we request to investigate the "claim" or "loss". You must do this within 60 days after our request. We will supply you with the necessary forms.
- (6) Cooperate with us in the investigation or settlement of the "claim" or "loss".
- (7) If you intend to continue your business, you must resume all or part of your operations as quickly as possible.
- (8) Make no statement that will assume any obligation or admit any liability, for any "loss" for which we may be liable, without our prior written consent.
- (9) Promptly send us any legal papers or notices received concerning the "loss".
- d. We may examine you under oath at such times as may be reasonably required, about any matter relating to this insurance or the "claim", "regulatory proceeding" or "loss", including your books and records. In the event of an examination, your answers must be signed.
- e. You may not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our prior written consent.

5. Extended Reporting Periods

- a. You shall have the right to the Extended Reporting Periods described in this section, in the event of a "termination of coverage".
- b. If a "termination of coverage" has occurred, you shall have the right to the following:
 - (1) At no additional premium, an Automatic Extended Reporting Period of 30 days immediately following the effective date of the "termination of coverage" during which you may first receive notice of a "claim" or "regulatory proceeding" arising directly from a "wrongful act" occurring before the end of the "policy period" and which is otherwise insured by this Cyber Coverage; and

- (2) Upon payment of the additional premium of 100% of the full annual premium associated with the relevant coverage, a Supplemental Extended Reporting Period of one year immediately following the effective date of the "termination of coverage" during which you may first receive notice of a "claim" or "regulatory proceeding" arising directly from a "wrongful act" occurring before the end of the "policy period" and which is otherwise insured by this Cyber Coverage.

To obtain the Supplemental Extended Reporting Period, you must request it in writing and pay the additional premium due, within 30 days after the effective date of "termination of coverage". The additional premium for the Supplemental Extended Reporting Period will be fully earned at the inception of the Supplemental Extended Reporting Period. If we do not receive the written request as required, you may not exercise this right at a later date.

This insurance, provided during the Supplemental Extended Reporting Period, is excess over any other valid and collectible insurance that begins or continues in effect after the Supplemental Extended Reporting Period becomes effective, whether the other insurance applies on a primary, excess, contingent, or any other basis.

6. Legal Action Against Us

No one may bring a legal action against us under this insurance unless:

- a. There has been full compliance with all of the terms of this insurance; and
- b. The action is brought within two years after the date the "loss" or "identity theft" is first discovered by you, or the date on which you first receive notice of a "claim" or "regulatory proceeding".

7. Legal Advice

We are not your legal advisor. Our determination of what is or is not insured under this Cyber Coverage does not represent advice or counsel from us about what you should or should not do.

8. Other Insurance

If there is other insurance that applies to the same "loss", this Cyber Coverage shall apply only as excess insurance after all other applicable insurance has been exhausted.

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9. Pre-Notification Consultation

You agree to consult with us prior to the issuance of notification to “affected individuals”. We assume no responsibility under Data Compromise Response Expenses for any services promised to “affected individuals” without our prior agreement. If possible, this pre-notification consultation will also include the designated service provider(s) as agreed to under the Service Providers condition below. You must provide the following at our pre-notification consultation with you:

- a. The exact list of “affected individuals” to be notified, including contact information.
- b. Information about the “personal data compromise” that may appropriately be communicated with “affected individuals”.
- c. The scope of services that you desire for the “affected individuals”. For example, coverage may be structured to provide fewer services in order to make those services available to more “affected individuals” without exceeding the available Data Compromise Response Expenses limit of insurance.

10. Service Providers

- a. We will only pay under this Cyber Coverage for services that are provided by service providers approved by us. You must obtain our prior approval for any service provider whose expenses you want covered under this Cyber Coverage. We will not unreasonably withhold such approval.
- b. Prior to the Pre-Notification Consultation described in the Pre-Notification Consultation Condition above, you must come to agreement with us regarding the service provider(s) to be used for the Notification to Affected Individuals and Services to Affected Individuals. We will suggest a service provider. If you prefer to use an alternate service provider, our coverage is subject to the following limitations:
 - (1) Such alternate service provider must be approved by us;
 - (2) Such alternate service provider must provide services that are reasonably equivalent or superior in both kind and quality to the services that would have been provided by the service provider we had suggested; and

- (3) Our payment for services provided by any alternate service provider will not exceed the amount that we would have paid using the service provider we had suggested.

11. Services

The following conditions apply as respects any services provided to you or any “affected individual” or “identity recovery insured” by us, our designees or any service firm paid for in whole or in part under this Cyber Coverage:

- a. The effectiveness of such services depends on the cooperation and assistance of you, “affected individuals” and “identity recovery insureds”.
- b. All services may not be available or applicable to all individuals. For example, “affected individuals” and “identity recovery insureds” who are minors or foreign nationals may not have credit records that can be provided or monitored. Service in Canada will be different from service in the United States and Puerto Rico in accordance with local conditions.
- c. We do not warrant or guarantee that the services will end or eliminate all problems associated with the covered events.
- d. Except for the services of an “identity recovery case manager” under Identity Recovery, which we will provide directly, you will have a direct relationship with the professional service firms paid for in whole or in part under this Cyber Coverage. Those firms work for you.

12. Valuation

We will determine the value of “money” as follows:

Our payment for loss of “money” or loss payable in “money” will be, at your option, in the “money” of the country in which the “wrongful transfer event” or “computer fraud event” took place or in the United States of America dollar equivalent thereof determined at the rate of exchange published by the Wall Street Journal at the time of payment of such loss.

F. DEFINITIONS

1. “Affected Individual” means any person whose “personally identifying information” or “personally sensitive information” is lost, stolen, accidentally released or accidentally published by a “personal data compromise” covered under this Cyber Coverage. This definition is subject to the following provisions:

- a. "Affected individual" does not include any business or organization. Only an individual person may be an "affected individual".
- b. An "affected individual" may reside anywhere in the world.
- 2. **"Authorized Representative"** means a person or entity authorized by law or contract to act on behalf of an "identity recovery insured".
- 3. **"Authorized Third Party User"** means a party who is not an employee or a director of you who is authorized by contract or other agreement to access the "computer system" for the receipt or delivery of services.
- 4. **"Bodily Injury"** means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
- 5. **"Business Income and Extra Expense Loss"** means loss of Business Income and Extra Expense.
 - a. As used in this definition, Business Income means the sum of:
 - (1) Net income (net profit or loss before income taxes) that would have been earned or incurred; and
 - (2) Continuing normal and necessary operating expenses incurred, including employee and director payroll.
 - b. As used in this definition, Extra Expense means the additional cost you incur to operate your business over and above the cost that you normally would have incurred to operate your business during the same period had no "computer attack" occurred.
- 6. **"Claim"**
 - a. "Claim" means:
 - (1) A written demand for monetary damages or non-monetary relief, including injunctive relief;
 - (2) A civil proceeding commenced by the filing of a complaint;
 - (3) An arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent;
 - (4) Any other alternative dispute resolution proceeding in which such damages are claimed and to which you must submit or to which we agree you should submit to;

arising from a "wrongful act" or a series of interrelated "wrongful acts" including any resulting appeal.

- b. "Claim" does not mean or include:
 - (1) Any demand or action brought by or on behalf of someone who is:
 - (a) Your director;
 - (b) Your owner or part-owner; or
 - (c) A holder of your securities;
 in their capacity as such, whether directly, derivatively, or by class action. "Claim" will include proceedings brought by such individuals in their capacity as "affected individuals", but only to the extent that the damages claimed are the same as would apply to any other "affected individual"; or
 - (2) A "regulatory proceeding".
- c. Includes a demand or proceeding arising from a "wrongful act" that is a "personal data compromise" only when the "personal data compromise" giving rise to the proceeding was covered under Data Compromise Response Expenses section of this Cyber Coverage, and you submitted a "claim" to us and provided notifications and services to "affected individuals" in consultation with us pursuant to Data Compromise Response Expenses in connection with such "personal data compromise".
- 7. **"Computer Attack"**
 - a. "Computer attack" means one of the following involving the "computer system":
 - (1) An "unauthorized access incident";
 - (2) A "malware attack"; or
 - (3) A "denial of service attack" against a "computer system".
 - b. A "computer attack" ends at the earlier of:
 - (1) The time that the active attacking behavior ceases, the time that you have regained control over the "computer system" or the time that all unauthorized creation, destruction or movement of data associated with the "computer attack" has ceased, whichever happens latest; or
 - (2) 30 days after your discovery of the "computer attack".

8. **“Computer System”** means a computer or other electronic hardware that:

- a. Is owned or leased by you and operated under your control; or
- b. Is operated by a third party service provider used for the purpose of providing hosted computer application services to you or for processing, maintaining, hosting or storing your electronic data, pursuant to a written contract with you for such services. However, such computer or other electronic hardware operated by such third party shall only be considered to be a “computer system” with respect to the specific services provided by such third party to you under such contract.

9. **“Computer Fraud Costs”** means:

- a. The amount of “money” fraudulently obtained from you. “Computer fraud costs” include the direct financial loss only.
- b. “Computer fraud costs” do not include any of the following:
 - (1) Other expenses that arise from the “computer fraud event”;
 - (2) Indirect loss, such as “bodily injury”, lost time, lost wages, “identity recovery expenses” or damaged reputation;
 - (3) Any interest, time value or potential investment gain on the amount of financial loss; or
 - (4) Any portion of such amount that has been or can reasonably be expected to be reimbursed by a third party, such as a financial institution.

10. **“Computer Fraud Event”** means:

- a. An “unauthorized access incident” that leads to the intentional, unauthorized and fraudulent entry of or change to data or instructions within a “computer system” owned or leased by you and operated under your control. Such fraudulent entry or change must be conducted by a person who is not an “employee”, “executive” or “independent contractor”. Such fraudulent entry or change must cause “money” to be sent or diverted. The fraudulent entry or change must result in direct financial loss to you.
- b. “Computer fraud event” does not mean or include any occurrence:
 - (1) In which you are threatened or coerced to send money or divert a payment; or

- (2) Arising from a dispute or a disagreement over the completeness, authenticity or value of a product, a service or a financial instrument.

11. **“Coverage Term”** means the increment of time:

- a. Commencing on the earlier of the first inception date of this Cyber Coverage or the first inception date of any coverage substantially similar to that described in this Cyber Coverage and held immediately prior to this Cyber coverage; and
- b. Ending upon the “termination of coverage”.

12. **“Coverage Territory”** means:

- a. With respect to Data Compromise Response Expenses, Computer Attack, Cyber Extortion, Misdirected Payment Fraud, Computer Fraud and Identity Recovery, “coverage territory” means anywhere in the world.
- b. With respect to Data Compromise Liability, Network Security Liability and Electronic Media Liability, “coverage territory” means anywhere in the world, however “claims” must be brought within the United States (including its territories and possessions) or Puerto Rico.

13. **“Cyber Extortion Expenses”** means:

- a. The cost of a negotiator or investigator retained by you in connection with a “cyber extortion threat”; and
- b. Any amount paid by you in response to a “cyber extortion threat” to the party that made the “cyber extortion threat” for the purposes of eliminating the “cyber extortion threat” when such expenses are necessary and reasonable and arise directly from a “cyber extortion threat”. The payment of “cyber extortion expenses” must be approved in advance by us. We will not pay for “cyber extortion expenses” that have not been approved in advance by us. We will not unreasonably withhold our approval.

14. **“Cyber Extortion Threat”** means:

- a. “Cyber extortion threat” means a demand for money from you based on a credible threat, or series of related credible threats, to:
 - (1) Launch a “denial of service attack” against the “computer system” for the purpose of denying “authorized third party users” access to your services provided through the “computer system” via the Internet;

(2) Gain access to a "computer system" and use that access to steal, release or publish "personally identifying information", "personally sensitive information" or "third party corporate data";

(3) Alter, damage or destroy electronic data or software while such electronic data or software is stored within a "computer system";

(4) Launch a "computer attack" against a "computer system" in order to alter, damage or destroy electronic data or software while such electronic data or software is stored within a "computer system"; or

(5) Cause you to transfer, pay or deliver any funds or property using a "computer system" without your authorization.

b. "Cyber extortion threat" does not mean or include any threat made in connection with a legitimate commercial dispute.

15. "Data Re-creation Costs"

a. "Data re-creation costs" means the costs of an outside professional firm hired by you to research, re- create and replace data that has been lost or corrupted and for which there is no electronic source available or where the electronic source does not have the same or similar functionality to the data that has been lost or corrupted.

b. "Data re-creation costs" does not mean or include costs to research, re-create or replace:

(1) Software programs or operating systems that are not commercially available; or

(2) Data that is obsolete, unnecessary or useless to you.

16. "Data Restoration Costs"

a. "Data restoration costs" means the costs of an outside professional firm hired by you to replace electronic data that has been lost or corrupted. In order to be considered "data restoration costs", such replacement must be from one or more electronic sources with the same or similar functionality to the data that has been lost or corrupted.

b. "Data restoration costs" does not mean or include costs to research, re-create or replace:

(1) Software programs or operating systems that are not commercially available; or

(2) Data that is obsolete, unnecessary or useless to you.

17. "Defense Costs"

a. "Defense costs" means reasonable and necessary expenses consented to by us resulting solely from the investigation, defense and appeal of any "claim" or "regulatory proceeding" against you. Such expenses may include premiums for any appeal bond, attachment bond or similar bond. However, we have no obligation to apply for or furnish such bond.

b. "Defense costs" does not mean or include the salaries or wages of your employees, or directors, or your loss of earnings.

18. "Denial of Service Attack" means an intentional attack against a target computer or network of computers designed to overwhelm the capacity of the target computer or network in order to deny or impede authorized users from gaining access to the target computer or network through the Internet.

19. "Electronic Media Incident" means an allegation that the display of information in electronic form by you on a website resulted in:

a. Infringement of another's copyright, title, slogan, trademark, trade name, trade dress, service mark or service name;

b. Defamation against a person or organization that is unintended; or

c. A violation of a person's right of privacy, including false light and public disclosure of private facts.

20. "Employee" means any natural person, other than an "executive", who was, now is or will be:

a. Employed on a full-time or part-time basis by you;

b. Furnished temporarily to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions;

c. Leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in paragraph b.; or

d. Your volunteer worker, which includes unpaid interns.

21. **“Executive”** means any natural person who was, now is or will be:

- a. The owner of your sole proprietorship; or
- b. A duly elected or appointed:
 - (1) Director;
 - (2) Officer;
 - (3) Managing Partner;
 - (4) General Partner;
 - (5) Member (if a limited liability company);
 - (6) Manager (if a limited liability company); or
 - (7) Trustee;
 of your business.

22. **“Extended Income Loss”** means your actual “business income and extra expense loss” incurred during the “extended recovery period”.

23. **“Extended Recovery Period”** means a fixed period of 180 days immediately following the end of the “period of restoration”.

24. **“Identity Recovery Case Manager”** means one or more individuals assigned by us to assist an “identity recovery insured” with communications we deem necessary for re-establishing the integrity of the personal identity of the “identity recovery insured”. This includes, with the permission and cooperation of the “identity recovery insured”, written and telephone communications with law enforcement authorities, governmental agencies, credit agencies and individual creditors and businesses.

25. **“Identity Recovery Expenses”** means the following when they are reasonable and necessary expenses that are incurred as a direct result of an “identity theft” suffered by an “identity recovery insured”:

a. Re-Filing Costs

Costs for re-filing applications for loans, grants or other credit instruments that are rejected solely as a result of an “identity theft”.

b. Notarization, Telephone and Postage Costs

Costs for notarizing affidavits or other similar documents, long distance telephone calls and postage solely as a result of the “identity recovery insured’s” efforts to report an “identity theft” or amend or rectify records as to the “identity recovery insured’s” true name or identity as a result of an “identity theft”.

c. Credit Reports

Costs for credit reports from established credit bureaus.

d. Legal Costs

Fees and expenses for an attorney approved by us for the following:

- (1) The defense of any civil suit brought against an “identity recovery insured”.
- (2) The removal of any civil judgment wrongfully entered against an “identity recovery insured”.
- (3) Legal assistance for an “identity recovery insured” at an audit or hearing by a governmental agency.
- (4) Legal assistance in challenging the accuracy of the “identity recovery insured’s” consumer credit report.
- (5) The defense of any criminal charges brought against an “identity recovery insured” arising from the actions of a third party using the personal identity of the “identity recovery insured”.

e. Lost Wages

Actual lost wages of the “identity recovery insured” for time reasonably and necessarily taken away from work and away from the work premises. Time away from work includes partial or whole work days. Actual lost wages may include payment for vacation days, discretionary days, floating holidays and paid personal days. Actual lost wages does not include sick days or any loss arising from time taken away from self-employment. Necessary time off does not include time off to do tasks that could reasonably have been done during non-working hours.

f. Child and Elder Care Expenses

Actual costs for supervision of children or elderly or infirm relatives or dependents of the “identity recovery insured” during time reasonably and necessarily taken away from such supervision. Such care must be provided by a professional care provider who is not a relative of the “identity recovery insured”.

g. Mental Health Counseling

Actual costs for counseling from a licensed mental health professional. Such care must be provided by a professional care provider who is not a relative of the “identity recovery insured”.

h. Miscellaneous Unnamed Costs

Any other reasonable costs necessarily incurred by an "identity recovery insured" as a direct result of the "identity theft".

(1) Such costs include:

- (a)** Costs by the "identity recovery insured" to recover control over his or her personal identity.
- (b)** Deductibles or service fees from financial institutions.

(2) Such costs do not include:

- (a)** Costs to avoid, prevent or detect "identity theft" or other loss.
- (b)** Money lost or stolen.
- (c)** Costs that are restricted or excluded elsewhere in this Cyber Coverage or policy.

26. "Identity Recovery Insured" means the following:

- a.** When the entity insured under this Cyber Coverage is a sole proprietorship, the "identity recovery insured" is the individual person who is the sole proprietor of the insured identity.
- b.** When the entity insured under this Cyber Coverage is a partnership, the "identity recovery insureds" are the current partners.
- c.** When the entity insured under this Cyber Coverage is a corporation or other form of organization, other than those described in **a.** or **b.** above, the "identity recovery insureds" are all individuals having an ownership position of 20% or more of the insured entity. However, if, and only if, there is no one who has such an ownership position, then the "identity recovery insured" will be:

- (1)** The chief executive of the insured entity; or
- (2)** As respects a religious institution, the senior ministerial employee.

An "identity recovery insured" must always be an individual person. If the entity insured under this Cyber Coverage is a legal entity, that legal entity is not an "identity recovery insured".

27. "Identity Theft"

- a.** "Identity theft" means the fraudulent use of "personally identifying information". This includes fraudulently using such information to establish credit accounts, secure loans, enter into contracts or commit crimes.

- b.** "Identity theft" does not mean or include the fraudulent use of a business name, d/b/a or any other method of identifying a business activity.

28. "Independent Contractor" means a natural person that provides goods or services to you under terms specified in a written contract, but only while acting on behalf of, at the direction of, and under the supervision of you.

29. "Loss"

- a.** With respect to Data Compromise Response Expenses, "loss" means those expenses enumerated in Data Compromise Response Expenses, under **A.1.b.**
- b.** With respect to Computer Attack, "loss" means those expenses enumerated in Computer Attack, under **A.2.b.**
- c.** With respect to Cyber Extortion, "loss" means "cyber extortion expenses".
- d.** With respect to Misdirected Payment Fraud, "loss" means "wrongful transfer costs".
- e.** With respect to Computer Fraud, "loss" means "computer fraud costs".
- f.** With respect to Data Compromise Liability, Network Security Liability and Electronic Media Liability, "loss" means "defense costs" and "settlement costs".
- g.** With respect to Identity Recovery, "loss" means those expenses enumerated in Identity Recovery, under **A.9.b.**

30. "Malware Attack"

- a.** "Malware attack" means an attack that damages a "computer system" or data contained therein arising from malicious code, including viruses, worms, Trojans, spyware and keyloggers.
- b.** "Malware attack" does not mean or include damage from shortcomings or mistakes in legitimate electronic code or damage from code installed on your "computer system" during the manufacturing process or normal maintenance.

31. "Money" means:

- a.** "Money" means a medium of exchange in current use and authorized or adopted by a domestic or foreign government, including currency, coins, banknotes, bullion, travelers' checks, registered checks and money orders held for sale to the public.

- b. "Money" does not mean or include any cryptocurrency, whether or not authorized or adopted by a domestic or foreign government. Cryptocurrency includes, but is not limited to, Bitcoin, Ethereum and other forms of digital, virtual or electronic currency.

32. "Network Security Incident" means a negligent security failure or weakness with respect to a "computer system" which allowed one or more of the following to happen:

- a. The unintended propagation or forwarding of malware, including viruses, worms, Trojans, spyware and keyloggers. Malware does not include shortcomings or mistakes in legitimate electronic code;
- b. The unintended abetting of a "denial of service attack" against one or more other systems; or
- c. The unintended loss, release or disclosure of "third party corporate data".

33. "Period of Restoration" means the period of time that begins 8 hours after the time that a "computer attack" is discovered by you and continues until the earliest of:

- a. The date that all data restoration, data re-creation and system restoration directly related to the "computer attack" has been completed;
- b. The date on which such data restoration, data re-creation and system restoration could have been completed with the exercise of due diligence and dispatch; or
- c. If no data restoration, data re-creation or system restoration is required, the end of the "computer attack".

34. "Personal Data Compromise" means the loss, theft, accidental release or accidental publication of "personally identifying information" or "personally sensitive information" as respects one or more "affected individuals". If the loss, theft, accidental release or accidental publication involves "personally identifying information", such loss, theft, accidental release or accidental publication must result in or have the reasonable possibility of resulting in the fraudulent use of such information. This definition is subject to the following provisions:

- a. At the time of the loss, theft, accidental release or accidental publication, the "personally identifying information" or "personally sensitive information" need not be at the insured premises but must be in the direct care, custody or control of:

- (1) You; or

- (2) A professional entity with which you have a direct relationship and to which you (or an "affected individual" at your direction) have turned over (directly or via a professional transmission or transportation provider) such information for storage, processing, transmission or transportation of such information.

- b. "Personal data compromise" includes disposal or abandonment of "personally identifying information" or "personally sensitive information" without appropriate safeguards such as shredding or destruction, provided that the failure to use appropriate safeguards was accidental and not reckless or deliberate.

- c. "Personal data compromise" includes situations where there is a reasonable cause to suspect that such "personally identifying information" or "personally sensitive information" has been lost, stolen, accidentally released or accidentally published, even if there is no firm proof.

- d. All incidents of "personal data compromise" that are discovered at the same time or arise from the same cause will be considered one "personal data compromise".

35. "Personally Identifying Information"

- a. "Personally identifying information" means information, including health information, that could be used to commit fraud or other illegal activity involving the credit, access to health care or identity of an "affected individual" or "identity recovery insured". This includes, but is not limited to, Social Security numbers or account numbers.

- b. "Personally identifying information" does not mean or include information that is otherwise available to the public, such as names and addresses.

36. "Personally Sensitive Information"

- a. "Personally sensitive information" means private information specific to an individual the release of which requires notification of "affected individuals" under any applicable law.

- b. "Personally sensitive information" does not mean or include "personally identifying information".

37. **“Policy Period”** means the period commencing on the effective date shown in the Declarations. The “policy period” ends on the expiration date shown in the Declarations or the cancellation date of this Cyber Coverage, whichever comes first.

38. **“Property Damage”** means

- a. Physical injury to or destruction of tangible property including all resulting loss of use; or
- b. Loss of use of tangible property that is not physically injured.

39. **“Regulatory Proceeding”** means an investigation, demand or proceeding alleging a violation of law or regulation arising from a “personal data compromise” brought by, or on behalf of, the Federal Trade Commission, Federal Communications Commission or other administrative or regulatory agency, or any federal, state, local or foreign governmental entity in such entity’s regulatory or official capacity.

40. **“Settlement Costs”**

- a. “Settlement costs” means the following, when they arise from a “claim”:
 - (1) Damages, judgments or settlements; and
 - (2) Attorney’s fees and other litigation costs added to that part of any judgment paid by us, when such fees and costs are awarded by law or court order; and
 - (3) Pre-judgment interest on that part of any judgment paid by us.
- b. “Settlement costs” does not mean or include:
 - (1) Civil or criminal fines or penalties imposed by law, except for civil fines and penalties expressly covered under Data Compromise Response Expenses;
 - (2) Punitive and exemplary damages;
 - (3) The multiple portion of any multiplied damages;
 - (4) Taxes; or
 - (5) Matters which may be deemed uninsurable under the applicable law.

c. With respect to fines and penalties, the law of the jurisdiction most favorable to the insurability of those fines, or penalties will control for the purpose of resolving any dispute between us and you regarding whether the fines, or penalties specified in this definition above are insurable under this Cyber Coverage, provided that such jurisdiction:

- (1) Is where those fines, or penalties were awarded or imposed;
- (2) Is where any “wrongful act” took place for which such fines, or penalties were awarded or imposed;
- (3) Is where you are incorporated or you have your principal place of business; or
- (4) Is where we are incorporated or have our principal place of business.

41. **“System Restoration Costs”**

- a. “System restoration costs” means the costs of an outside professional firm hired by you to do any of the following in order to restore your “computer system” to its pre-“computer attack” level of functionality:
 - (1) Replace or reinstall computer software programs;
 - (2) Remove any malicious code; and
 - (3) Configure or correct the configuration of your “computer system”.
- b. “System restoration costs” does not mean or include:
 - (1) Costs to increase the speed, capacity or utility of a “computer system” beyond what existed immediately prior to the “computer attack”;
 - (2) Labor costs of your employees or directors;
 - (3) Any costs in excess of the actual cash value of your “computer system”; or
 - (4) Costs to repair or replace hardware.

42. **“Termination of Coverage”** means:

- a. You or we cancel this coverage;
- b. You or we refuse to renew this coverage; or
- c. We renew this coverage on an other than claims-made basis or with a retroactive date later than the date of the first inception of this coverage or any coverage substantially similar to that described in this Cyber Coverage.

43. "Third Party Corporate Data"

- a. "Third party corporate data" means any trade secret, data, design, interpretation, forecast, formula, method, practice, credit or debit card magnetic strip information, process, record, report or other item of information of a third party not an insured under this Cyber Coverage which is not available to the general public and is provided to you subject to a mutually executed written confidentiality agreement or which you are legally required to maintain in confidence.
- b. "Third party corporate data" does not mean or include "personally identifying information" or "personally sensitive information".

44. "Unauthorized Access Incident" means the gaining of access to a "computer system" by:

- a. An unauthorized person or persons; or
- b. An authorized person or persons for unauthorized purposes.

45. "Wrongful Act"

- a. With respect to Data Compromise Liability, "wrongful act" means a "personal data compromise".
- b. With respect to Network Security Liability, "wrongful act" means a "network security incident".
- c. With respect to Electronic Media Liability, "wrongful act" means an "electronic media incident".

46. "Wrongful Transfer Costs" means the amount of "money" fraudulently obtained from you. "Wrongful transfer costs" include the direct financial loss only. "Wrongful transfer costs" do not include any of the following:

- a. Other expenses that arise from the "wrongful transfer event";
- b. Indirect loss, such as "bodily injury", lost time, lost wages, identity recovery expenses or damaged reputation;
- c. Any interest, time value or potential investment gain on the amount of financial loss; or
- d. Any portion of such amount that has been or can reasonably be expected to be reimbursed by a third party, such as a financial institution.

47. "Wrongful Transfer Event"

- a. "Wrongful transfer event" means an intentional and criminal deception of you or a financial institution with which you have an account. The deception must be perpetrated by a person who is not an "employee", "executive" or "independent contractor" using email, facsimile or telephone communications to induce you or the financial institution to send or divert "money". The deception must result in direct financial loss to you.
- b. "Wrongful transfer event" does not mean or include any occurrence:
 - (1) In which you are threatened or coerced to send money or divert a payment; or
 - (2) Arising from a dispute or disagreement over the completeness, authenticity or value of a product, a service or a financial instrument.

All other provisions of this policy apply.

COMMERCIAL PROPERTY
CP 01 49 06 07

ILLINOIS CHANGES – ARTIFICIALLY GENERATED ELECTRICAL CURRENT EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

A. The exclusion set forth in:

1. Paragraph **B.2.a.** of the Standard Property Policy, the Causes Of Loss – Basic Form, the Causes Of Loss – Broad Form and the Causes Of Loss – Special Form; and
2. Paragraph **B.2.b.** of the Mortgageholders Errors And Omissions Coverage Form

is replaced by the following exclusion:

We will not pay for loss or damage caused by or resulting from artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires.

But if artificially generated electrical current results in fire, we will pay for the loss or damage caused by that fire.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

CYBER SUITE COVERAGE

1. C. LIMITS OF INSURANCE, 1. Aggregate Limits is deleted and replaced with the following:

1. Aggregate Limits

The First Party Annual Aggregate Limit shown in the Schedule is the most we will pay for all "loss" under all the Data Compromise Response Expenses, Computer Attack, Cyber Extortion, Misdirected Payment Fraud, and Computer Fraud coverages in any one "policy period". The First Party Annual Aggregate Limit shown in the Schedule applies regardless of the number of insured events first discovered during the "policy period".

Except for pre- and post-judgment interest, the Third Party Annual Aggregate Limit shown in the Schedule is the most we will pay for all "loss" under all applicable coverage sections in any one "policy period" or any applicable Extended Reporting Period. The Third Party Annual Aggregate Limit shown in the Schedule applies regardless of the number of insured "claims" or "regulatory proceedings" first received during the "policy period" or any applicable Extended Reporting Period.

If a Cyber Suite Annual Aggregate limit is shown in the Schedule, then, except for pre- and post-judgment interest, the Cyber Suite Annual Aggregate Limit shown in the Schedule is the most we will pay for all "loss" under all applicable coverage sections, except Identity Recovery, in any one "policy period" or any applicable Extended Reporting Period. The Cyber Suite Annual Aggregate Limit shown in the Schedule applies regardless of the number of insured events first discovered or "claims" or "regulatory proceedings" first received during the "policy period" or any applicable Extended Reporting Period.

The Identity Recovery Coverage is subject to the Identity Recovery Limit as shown in the Schedule.

2. E. ADDITIONAL CONDITIONS, 2. Defense And Settlement, Paragraph **f.** is deleted and replaced with the following:

f. We will pay all interest on that amount of any judgment within the applicable limit of insurance which accrues:

- (1)** Before entry of judgment; and
- (2)** After entry of judgment but before we pay, offer to pay or deposit in court that part of the judgment within the applicable limit of insurance or, in any case, before we pay or offer to pay the entire applicable limit of insurance.

These interest payments shall be in addition to and not part of the applicable limit of insurance.

3. The following is added to E. ADDITIONAL CONDITIONS, 6. Legal Action Against Us:

The two year period for legal action against us is extended by the number of days between the date the statement of "loss" is filed with us and the date we deny the claim in whole or in part.

4. E. ADDITIONAL CONDITIONS, 8. Other Insurance is deleted and replaced with the following:

8. Other Insurance

If there is other similar insurance that applies to the same "loss" we will proportionately share payment of the amount of "loss" with the other insurance company.

5. F. DEFINITIONS, 17. "Defense Costs", Paragraph **b.** is deleted and replaced with the following:

b. "Defense costs" does not mean or include the salaries of your or our employees, officers or staff attorneys, or your loss of earnings.

6. F. DEFINITIONS, 40. "Settlement Costs", Paragraph **a.** is deleted and replaced with the following:

a. "Settlement costs" means the following, when they arise from a "claim":

- 1)** Damages, judgments or settlements; and
- 2)** Attorney's fees and other litigation costs added to that part of any judgment paid by us, when such fees and costs are awarded by law or court order.

West Bend Mutual Insurance Company
West Bend, Wisconsin 53095

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Endorsement

Auto Dealers Coverage Declarations**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

12778

Form of Business:

Corporation

In return for the payment of the premium, and subject to all the terms of this Policy, we agree with you to provide the insurance as stated in this Policy.

ITEM TWO: Schedule Of Coverages And Covered Autos

This Policy provides only those coverages where a charge and limit, if applicable, are shown in the columns below. Each of the "auto"-related coverages will apply only to those "autos" shown as covered "autos". "Autos" are shown as covered "autos" for the particular coverages by the entry of one or more of the symbols from Section I – Covered Autos Coverages of the Auto Dealers Coverage Form next to the name of the "auto"-related coverage.

Coverages	Covered Autos	Limit Or Deductible	Premium
Covered Autos Liability	21	\$1,000,000 Each Accident	\$18,893
General Liability Bodily Injury And Property Damage Liability		\$1,000,000 Each "Accident"	Included
Damages to Premises Rented To You		\$300,000 Any One Premises	Included
Personal and Advertising Injury Liability		\$1,000,000 Any One Person Or Organization	Included
		\$3,000,000 General Liability Aggregate	
		\$3,000,000 Products And Work You Performed Aggregate	
Acts, Errors Or Omissions Liability		\$1,000,000 Aggregate \$1,000 Deductible	\$667
Locations And Operations Medical Payments		\$5,000 Any One Person	\$852
Auto Medical Payments	21	\$5,000 Each Insured See Item Seven For Covered Autos Insured On A Specified Car Basis	\$32



Endorsement

Auto Dealers Coverage Declarations**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

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Uninsured Motorist	26, 28, 29	Separately Stated In Each State Specific Endorsement	\$43
Underinsured Motorist	26, 28, 29	Separately Stated In Each State Specific Endorsement	\$201
Garagekeepers Comprehensive	30	Separately Stated For Each Location In ITEM FIVE	\$110
Garagekeepers Collision	30	Separately Stated For Each Location In ITEM FIVE	\$164
Physical Damage Comprehensive Coverage	27, 31	See ITEM SIX For Dealers Autos. See ITEM SEVEN For Specified Auto Deductible.	\$2,162
Physical Damage Collision Coverage	27, 31	See ITEM SIX For Dealers Blanket Collision Autos. See ITEM SEVEN For Specified Auto Deductible.	\$895

Endorsements and Miscellaneous Premiums (See Endorsement and Miscellaneous Schedule):

\$722

Total Commercial Auto Premium:

\$24,741

Number of Dealer Plates for Uninsured Motorist and Underinsured Motorist (if applicable): 2

See attached Forms Schedule for forms and endorsements applicable to this coverage.



Endorsement

Auto Dealers Location and Liability Schedule**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076**Agency Name and Address:**ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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ITEM THREE: Locations Where You Conduct Auto Dealer Operations

Loc	Location Address (State your main business location first)	Auto Dealer Classification
2	7501 Channel Rd/3215 Birchwood Skokie, IL 60076-4051	Non Franchised
1	7445 Channel Rd Skokie, IL 60076-4042	Non Franchised

ITEM FOUR: Liability And Personal Injury Protection (Or Equivalent Or Similar No-fault Coverages) – Premiums

Loc	Classes Of Operators	Number Of Persons	Rating Factor	Rating Units	Premiums			
					Liability	Dealers Medical Payments*	Personal Injury Protection	Acts, Errors Or Omissions
2	Class I – Employees Regular Operators				\$1,940	\$97		\$76
	Full-time	1.00	1.00	1.000				
	Part-time							
	Class I – Employees All Other							
	Full-time							
	Part-time							
	Class II – Non-employees Under Age 25							
	Class II – Non-employees 25 Or Over							
	All Employees (Only For Trailer Dealers)							



Endorsement

Auto Dealers Location and Liability Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
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1	Class I – Employees Regular Operators				\$15,036	\$755		\$591
	Full-time	4.00	1.00	4.000				
	Part-time							
	Class I – Employees All Other							
	Full-time	9.38	.40	3.752				
	Part-time							
	Class II – Non-employees Under Age 25							
	Class II – Non-employees 25 Or Over							
	All Employees (Only For Trailer Dealers)							

Total Premium: \$18,495

* If the Location of this Auto Dealer Operation is in Virginia, Dealers Medical Payments is replaced with Dealers Medical Expense And/OR Income Loss Benefits (Virginia Only); refer to Virginia Medical Expense And Income Loss Benefits Endorsement.

DEFINITIONS**Class I – Employees**

Regular Operator: Proprietors, partners and officers active in the "auto dealer operations", salespersons, general managers, service managers, any "employee" whose principal duty involves the operation of covered "autos" or who is furnished a covered "auto".

All Others: All other "employees".

NOTE:

1. Part-time "employees" working an average of 20 hours or more a week for the number of weeks worked are to be counted as one full-time person each.
2. Part-time "employees" working an average of less than 20 hours a week for the number of weeks worked are to be counted as one part-time person each.



Endorsement

Auto Dealers Location and Liability Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:Siglers Automotive and Body Shop, Inc
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Class II – Nonemployees

Any of the following persons who are regularly furnished with a covered "auto": inactive proprietors, partners or officers and the relatives of any person described in Class I.



Endorsement

Auto Dealers Garagekeepers Schedule**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
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ITEM FIVE: Garagekeepers Coverages And Premiums

Loc	Coverages	Limit Of Insurance	Deductible	Premium
1	Comprehensive	\$150,000	\$1,000 for All Perils For Each "Customer's Auto" \$5,000 Maximum Deductible For All "Loss" In Any One Event	\$110
	Collision	\$150,000	\$500 for each Customer's Auto	\$164

Total Garagekeepers Premium: \$274

Direct Coverage Option

Indicate below with an "X" if the Direct Coverage Option is selected.

☒ **Modified Direct Insurance**

If this box is checked, at the option of the named insured, Garagekeepers Coverage may be changed to apply without regard to your or any other "insured's" legal liability for "loss" to a "customer's auto" or, alternately, may apply on a legal liability basis.



Endorsement

Auto Dealers Physical Damage Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076**Agency Name and Address:**ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

12778

ITEM SIX: Physical Damage Coverage – Types Of Covered Autos And Interests In These Autos – Premiums – Reporting Or Nonreporting

Each of the following Physical Damage Coverages that is indicated in ITEM TWO applies only to the types of "autos" and interests indicated below by "X".

Coverages	Types Of Autos		Interests Covered			
	New Autos	Used Autos, Demonstrators And Service Vehicles	Your Interest In Covered Autos You Own	Your Interest Only In Financed Covered Autos	Your Interest And The Interest Of Any Creditor Named As A Loss Payee	All Interests In Any Auto Not Owned By You Or Any Creditor While In Your Possession On Consignment For Sale
Comprehensive	X	X				
Collision	X	X				

Loc	Coverages	Limit Of Insurance	Deductible	Premium
1	Comprehensive	\$150,000	\$500 For All Perils For Each Covered Auto \$2,500 Maximum Deductible For All Loss In Any One Event	\$1,043
2	Comprehensive	\$150,000	\$500 For All Perils For Each Covered Auto \$2,500 Maximum Deductible For All Loss In Any One Event	\$1,043
All	Blanket Collision	\$300,000	\$500 for each Covered Auto	\$770

Total Premium For All Locations: \$2,856

Premium Basis – Reporting (Quarterly or Monthly) or Nonreporting (Indicate Basis Agreed Upon By "X".)
☐ **Reporting Basis** (Quarterly or Monthly as indicated below by "X")



Endorsement

Auto Dealers Physical Damage Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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You must report to us on our form the location of your covered "autos" and their total value at each such location. For your main sales location identified as location Number 1, you must include the total value of all covered "autos" you have furnished or made available to yourself, your executives, your "employees" or family members and other Class II – Nonemployees, and covered "autos" that are temporarily displayed or stored at locations other than those stated in ITEM THREE. For your main sales location you must include the total value of all service vehicles.

Your Reporting Basis Is:☐**Quarterly**

You must give us your first report by the 15th of the fourth month after the policy begins. Your subsequent reports must be given to us by the 15th of every third month. Your reports must contain the value for the last business day of every third month coming within the policy period.

☐**Monthly**

You must give us your reports by the 15th of every month. Your reports will contain the total values you had on the last business day of the preceding month.

Premiums will be calculated pro rata of the annual premium for the exposures contained in each report. At the end of each policy year, we will add the monthly premiums or the quarterly premiums to determine your final premium due for the entire policy year. The estimated total premiums shown above will be credited against the final premium due.

☒**Nonreporting Basis**

Stated limit of insurance above applies.



Endorsement

Auto Dealers Specified Car Schedule

Customer Number: 1000122645

Policy Period: 12/01/2022 to 12/01/2023

Policy Number: B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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ITEM SEVEN: Schedule Of Covered Autos Which Are Furnished To Someone Other Than A Class I Or Class II Operator Or Are Insured On A Specified Car Basis

Veh No.	Description	Original Cost New	Stated Amount	Total Vehicle Premium
	Year, Make, Model, Vehicle Identification Number (VIN)			
4	2012 FORD F550 1FDUF5GT9CEA83704	\$52,707		\$1,285
5	2000 FORD F550 1FDAF56S7YEB05671	\$39,831		\$951

Veh No.	Classification				Territory	
	Radius Of Operation	Use	Size	Seating Capacity	Garaging Location	Class Code
4	Local	Service	Medium		Skokie, IL 60076-4042	7878
5	Local	Service	Medium		Skokie, IL 60076-4042	7878

Veh No.	Covered Autos Liability		Personal Injury Protection (See state specific PIP endorsement for limits)			
	CSL	Premium	Deductible	Premium	Michigan Only	
					Property Protection	Property Protection Deductible
4	\$1,000,000	\$1,066				
5	\$1,000,000	\$823				



Endorsement

Auto Dealers Specified Car Schedule

Customer Number: 1000122645

Policy Number: B010120 05

Policy Period: 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
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Veh No.	Auto Medical Payments		Medical Expense And/Or Income Loss Benefits (Virginia Only) Limit stated in the Medical Expense And Income Loss Endorsement	
	Limit	Premium	Medical Expense Premium	Income Loss Premium
4	\$5,000	\$16		
5	\$5,000	\$16		

Veh No.	Uninsured Motorist			Underinsured Motorist		Defensive Driver Credit	Dual Control	AntiTheft Discount
	CSL	PD Limit	Premium	CSL	Premium			
4	\$1,000,000		\$10	\$1,000,000	\$47			
5	\$1,000,000		\$10	\$1,000,000	\$47			

Veh No.	Comprehensive			Specified Causes of Loss		
	Deductible For Loss Caused By Theft Or Mischief Or Vandalism*	Deductible For All Perils*	Premium	Type	Deductible For All Perils*	Premium
4		\$1,000	\$52			
5		\$1,000	\$24			

* A maximum deductible may also apply. Refer to Coverage Form for details.

Veh No.	Collision			Towing And Labor		Audio/Visual/Data Electronic Equipment		Tapes
	Type (MI Only)	Deductible	Premium	Limit	Premium	Limit	Premium	Premium
4		\$1,000	\$94					
5		\$1,000	\$31					



Endorsement

Auto Dealers Hired or Borrowed Schedule**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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ITEM EIGHT: Schedule Of Hired Or Borrowed Covered Auto Coverage And Premiums

State	Covered Autos Liability Coverage – Cost Of Hire Rating Basis (Other Than Mobile Or Farm Equipment)		Auto Medical Payments Premium*	Uninsured Motorists Premium (IL & WI Only)	Underinsured Motorists Premium (IL & WI Only)
	Estimated Annual Cost Of Hire For Each State	Premium			
IL	If Any	\$28	\$0	\$1	\$3

Total Hired Auto Premium: \$32

* If the state is VA, Auto Medical Payments is replaced with Medical Expense Benefits (VA only) Premium.

Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.



Endorsement

Auto Dealers Endorsements and Miscellaneous Premiums**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
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Additional Insureds

Description	Form Number	Premium
Additional Insured - Not Otherwise Classified	WB1450CA	\$50

Endorsements

Description	Form Number	Premium
Optional Limits - Loss Of Use Expenses	CA9990	\$50
Broad Form Products and Work You Performed Coverage Endorsement	WB2002	\$250
EMPLOYMENT PRACTICES LIABILITY ENDORSEMENT	WB516CA	\$270
False Pretense Coverage	CA2503	\$52
Plus Pak – Liability	WB2000CA	\$50

Total Endorsement and Miscellaneous Premium: \$722



Endorsement

Auto Dealers Forms Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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Forms Schedule

Number	Edition	Description
CA2054	1120	EMPLOYEE HIRED AUTOS
CA2345	1120	PUBLIC OR LIVERY PASSENGER CONVEYANCE AND ON-DEMAND DELIVERY SERVICES EXCLUSION
WB2002	0118	BROAD FORM PRODUCTS AND WORK YOU PERFORMED COVERAGE ENDORSEMENT
WB2086	0118	PRIOR DAMAGE DISCLOSURE ERRORS AND OMISSIONS COVERAGE
WB2000CA	0820	PLUS PAK - LIABILITY
WB2583CA	0414	ADDITIONAL INTEREST NAME EXTENSION
WB1468CA	0118	EXCLUSION - ASBESTOS OR ASBESTOS PRODUCTS
WB1450CA	0118	ADDITIONAL INSURED - NOT OTHERWISE CLASSIFIED
WB516CA	0420	EMPLOYMENT PRACTICES LIABILITY ENDORSEMENT
CA2055Z	1013	FELLOW EMPLOYEE COVERAGE
CA2503	1013	FALSE PRETENSE COVERAGE
CA2524	1013	EXCLUSION - YEAR 2000 COMPUTER-RELATED AND OTHER ELECTRONIC PROBLEMS - WITH EXCEPTION FOR BODILY INJURY ON YOUR PREMISES
CA9903	1013	AUTO MEDICAL PAYMENTS COVERAGE
CA9990	1013	OPTIONAL LIMITS - LOSS OF USE EXPENSES
WB2752	0118	LOSS TO CUSTOMERS PERSONAL PROPERTY



Endorsement

Auto Dealers Forms Schedule**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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Forms Schedule

Number	Edition	Description
CA0025	1120	AUTO DEALERS COVERAGE FORM
CA2705Z	1120	UNMANNED AIRCRAFT EXCLUSION FOR GENERAL LIABILITY
CA0270	0118	ILLINOIS CHANGES - CANCELLATION AND NONRENEWAL
WB372CA	1122	ILLINOIS EMPLOYMENT PRACTICES LIABILITY INSURANCE AMENDATORY ENDORSEMENT (CLAIMS-MADE)
CA0104	0115	ILLINOIS CHANGES - AUTO DEALERS COVERAGE FORM
CA2130	0115	ILLINOIS UNINSURED MOTORISTS COVERAGE
CA2138	1013	ILLINOIS UNDERINSURED MOTORISTS COVERAGE

COMMERCIAL AUTO
CA 20 54 11 20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYEE HIRED AUTOS

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Covered Autos Liability Coverage

The following is added to the **Who Is An Insured** provision:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

For Hired Auto Physical Damage Coverage, any covered "auto" hired or rented by your "employee" under a contract in an "employee's" name, with your permission, while performing duties related to the conduct of your business is deemed to be a covered "auto" you own.

B. Changes In General Conditions

Paragraph **5.b.** of the **Other Insurance** Condition in the Business Auto and Auto Dealers Coverage Forms and Paragraph **5.f.** of the **Other Insurance – Primary And Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form are amended by the addition of the following:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PUBLIC OR LIVERY PASSENGER CONVEYANCE AND ON-DEMAND DELIVERY SERVICES EXCLUSION

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Covered Autos Liability Coverage

The following exclusion is added:

Public Or Livery Passenger Conveyance And On-demand Delivery Services

This insurance does not apply to any covered "auto" while being used:

1. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
2. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

B. Changes In Physical Damage Coverage

The following exclusion is added:

We will not pay for "loss" to any covered "autos" while being used:

1. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or

2. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

C. Changes In Auto Medical Payments

If Auto Medical Payments Coverage is attached, then the following exclusion is added:

Public Or Livery Passenger Conveyance And On-demand Delivery Services

This insurance does not apply to:

"Bodily injury" sustained by an "insured" "occupying" a covered "auto" while it is being used:

1. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
2. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

D. Changes In Uninsured And/Or Underinsured Motorists Coverage

1. If Uninsured and/or Underinsured Motorists Coverage is attached, and:
 - a. Contains, in whole or in part, a public or livery exclusion, then the following exclusion in Paragraph 2. does not apply.
 - b. Does not contain a public or livery exclusion, then the following exclusion in Paragraph 2. is added.

2. Public Or Livery Passenger Conveyance And On-demand Delivery Services

This insurance does not apply to any covered "auto" while being used:

- a. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
- b. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

E. Changes In Personal Injury Protection Coverage

1. If Personal Injury Protection, no-fault or other similar coverage is attached, and:
 - a. Contains, in whole or in part, a public or livery exclusion, then the following exclusion in Paragraph 2. does not apply.
 - b. Does not contain a public or livery exclusion, then the following exclusion in Paragraph 2. is added.

2. Public Or Livery Passenger Conveyance And On-demand Delivery Services

This insurance does not apply to any covered "auto" while being used:

- a. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
- b. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

F. Additional Definitions

As used in this endorsement:

1. "Delivery network platform" means an online-enabled application or digital network, used to connect customers:
 - a. With drivers; or
 - b. With local vendors using drivers; for the purpose of providing prearranged "delivery services" for compensation. A "delivery network platform" does not include a "transportation network platform".
2. "Delivery services" includes courier services.
3. "Occupying" means in, upon, getting in, on, out or off.
4. "Transportation network platform" means an online-enabled application or digital network used to connect passengers with drivers using vehicles for the purpose of providing prearranged transportation services for compensation.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BROAD FORM PRODUCTS AND WORK YOU PERFORMED COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Paragraph A. Bodily Injury And Property Damage Liability of Section II – General Liability Coverages is changed as follows:

Exclusions **2.h. Defective Products** and **2.i. Work You Performed** do not apply. However, subject to the General Liability Bodily Injury And Property Damage Liability Each "Accident" Limit, the coverage only applies to that amount of "property damage" to your "products" or "work you performed" that exceeds \$500 for any one "accident".

B. Paragraph E. Garagekeepers Coverage of Section I – Covered Autos Coverages is changed as follows:

Exclusions **4.a.(3) Defective Parts** and **4.a.(4) Faulty Work** do not apply. However, subject to the applicable Garagekeepers Coverage Limit, this coverage only applies to that amount of "loss" to your "parts" or "work you performed" that exceeds the applicable Garagekeepers deductible or \$500 for any one "loss", whichever is larger.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PRIOR DAMAGE DISCLOSURE
ERRORS AND OMISSIONS COVERAGE**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

Paragraph **B.** of **Section V – Definitions** is amended by the addition of the following:

Out of the insured's failure to comply with any local, state or federal law or regulation concerning the disclosure of prior damage to consumers in connection with the sale of an "auto" in your "auto dealer operations".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PLUS PAK – LIABILITY

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

- A.** The following exception is added to Exclusion **d.** under Paragraphs **4. Exclusions** of **Section I – D. Covered Autos Liability Coverage** and **2. Exclusions** of **Section II – Coverage A – Bodily Injury And Property Damage Liability**:

Stop Gap Liability

This exclusion does not apply to "bodily injury" to an "employee" of the insured arising out of and in the course of employment by the insured, provided such "employee" is reported and declared under the Workers' Compensation Fund of the State(s) of North Dakota, Ohio, Washington, or Wyoming, whichever is applicable as respects such injured "employee".

The insurance provided by this coverage extension does not apply to:

- 1.** Punitive or exemplary damage because of "bodily injury" to an "employee" employed in violation of law;
- 2.** "Bodily injury" to an "employee" while employed in violation of law with your actual knowledge or the actual knowledge of any of your executive officers;
- 3.** Damages arising out of the discharge of, coercion of, or discrimination against any "employee" in violation of law.

- B. Supplementary Payments** Paragraphs **(4)** of **Section I – D.3. Coverage Extensions** and **E.3.** of **Section II – General Liability Coverages** are replaced by:

All reasonable expenses incurred by the "insured", at our request, including actual loss of earnings, up to \$300 a day, because of time off from work.

- C.** Paragraph **6.a.** of **Section II – D. Who Is An Insured** is replaced by:

- a.** Coverage under this provision is afforded only until the 180th day after you acquire or form the "auto" dealership or the end of the policy period, whichever is earlier and;

ADDITIONAL INTEREST NAME EXTENSION

An Additional Interest that requires additional space to display the complete name is shown in the schedule of this endorsement.

SCHEDULE

Form Applicable to Additional Interest:

WB1450CA Additional Insured - Not Otherwise Classified

Additional Interest Name:

City of Chicago Department of Transpiration - Driveway Permits

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ASBESTOS OR ASBESTOS PRODUCTS

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

This insurance does not apply to:

“Bodily injury” or “property damage” arising out of the removal, manufacture, distribution, sale, installation, handling or disposal of asbestos or any product containing asbestos material.

POLICY NUMBER: B010120

COMMERCIAL AUTO
WB 1450 CA 01 18**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED – NOT OTHERWISE CLASSIFIED**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM**SCHEDULE**

Name of Person or Organization (Additional Insured):
City of Chicago Department of Transpiration - Driveway Permits 121 N LaSalle St Room 905 Chicago, IL 60602
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Who Is An Insured is amended to include as an insured the person or organization shown in the Schedule as an additional insured, but only with respect to liability incurred solely as a result of some act or omission of the named insured.

It is further understood and agreed that the designation of the entity named as an additional insured does not increase or alter the limit of liability, nor the scope of coverage of this policy.

The coverage granted to the additional insured under this endorsement shall be excess over any other valid and collectible insurance, whether contingent, excess or primary.

This endorsement provides no coverage to the additional insured for its liability arising out of the claimed negligence, statutory liability or fault of the additional insured.

As a condition of coverage, the additional insured shall be obligated to tender the defense and indemnity of every claim or suit to all other insurers that may provide coverage to the additional insured, whether on a contingent, excess or primary basis.

POLICY NUMBER: B010120

COMMERCIAL AUTO
WB 516 CA 04 20**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EMPLOYMENT PRACTICES LIABILITY ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTO COVERAGE PART

THIS ENDORSEMENT PROVIDES CLAIMS MADE AND REPORTED COVERAGE. DEFENSE COSTS APPLY AGAINST THE LIMITS OF INSURANCE AND ARE SUBJECT TO THE DEDUCTIBLE.**PLEASE READ THE ENTIRE FORM CAREFULLY.****SCHEDULE**

LIMITS OF LIABILITY		DEDUCTIBLE	COINSURANCE FOR PAYMENT OF "DAMAGES"
Each Related Wrongful Employment Practice	Total Aggregate Limit	Each Related Wrongful Employment Practice	Does Not Apply
100,000	100,000	5,000	
RETROACTIVE DATE			
This insurance does not apply to a "Wrongful Employment Practice" that happens before the Retroactive Date shown here:			12/01/2017
Information required to complete this schedule, if not shown above, will be shown in the Declarations.			

THERE IS A SEPARATE DEDUCTIBLE PROVISION APPLICABLE TO ALL PAYMENTS FOR "DAMAGES".

PLEASE READ THIS ENDORSEMENT CAREFULLY TO DETERMINE RIGHTS, DUTIES, COVERAGE AND COVERAGE RESTRICTIONS.

WE HAVE NO DUTY TO PROVIDE COVERAGE UNLESS THERE HAS BEEN FULL COMPLIANCE WITH ALL THE CONDITIONS (SECTION VI) OF THIS ENDORSEMENT.

Throughout this endorsement the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this endorsement. The words "we", "us" and "our" refer to the Company providing this insurance. The word "insured" means any person or organization qualifying as such under WHO IS AN INSURED (Section II) of this endorsement.

All words and phrases that appear in quotation marks have special meaning. Refer to DEFINITIONS (Section VIII).

SECTION I - COVERAGE: EMPLOYMENT PRACTICES LIABILITY

In consideration of the payment of premium and in reliance upon representations you made to us in applying for this insurance and subject to the Limits of Insurance shown in the Schedule, and all the exclusions, terms and conditions of this endorsement, we agree with you as follows:

A. INSURING AGREEMENT

1. We will pay on behalf of the insured for "damages" in excess of the Deductible arising out of any "employment practices" to which this insurance applies.

We have no obligation under this insurance to make payments or perform acts or services except as provided for in this paragraph and in Item 2. below.

2. This insurance applies to such "damages" only if:
 - a. The "damages" result from "claims" made by "employees", "leased workers", "temporary workers", former "employees" or applicants for employment with you;

- b. The "employment practices" take place in the "coverage territory";
- c. Such "employment practices" occurred after the Retroactive Date shown in the Schedule and before the end of the policy period; and
- d. A "claim" is both:
 - (i) First made against any insured, in accordance with paragraph 3. below, during the policy period or any Extended Reporting Period we provide under Section VII - EXTENDED REPORTING PERIODS; and
 - (ii) Reported to us either (i) during the policy period or within thirty (30) days thereafter, or (ii) with respect to any "claim" first made during any Extended Reporting Period we provide under Section VII - EXTENDED REPORTING PERIODS, during such Extended Reporting Period.

3. A "claim" will be deemed to have been made at the earlier of the following times:

- a. When notice of such "claim" is received and recorded by you or by us, whichever comes first; or
- b. When we make settlement in accordance with paragraph B.1. below.

4. All "claims" for "damages" based on or arising out of:

- a. One "employment practice"; or
- b. An interrelated series of "employment practices"

by one or more insureds shall be deemed to be one "claim" and to have been made at the time the first of those "claims" is made against any insured(s).

Each payment we make for "damages" or "defense expense" reduces the Amount of Insurance available, as provided under SECTION III - LIMITS OF INSURANCE of this endorsement.

B. DEFENSE OF CLAIMS. ADMINISTRATIVE HEARINGS & SETTLEMENT AUTHORITY

1. We have the right and duty to defend "claims" against the insured seeking "damages" to which this insurance applies and to pay for related "defense expense". However, we have no duty to (i) defend "claims" against the insured seeking "damages" or (ii) pay for related "defense expense" when this insurance does not apply. We may:

- a. At our sole discretion, investigate any "employment practice" that may result in "damages"; and

b. Settle any "claim" which may result, provided:

- (i) We have your written consent to settle; and
- (ii) The settlement is within the applicable Limit of Insurance available.

Our liability will be limited as described below if:

- (i) you refuse to consent to any settlement we recommend, and
- (ii) such recommended settlement is also acceptable to the claimant.

When this happens, our liability under this endorsement for such "claim" shall not exceed the amount we would have paid for "damages" and "defense expense" if you had consented at the time of our recommendation. You shall thereafter negotiate and defend that "claim" at your own cost and without our involvement.

2. Our right and duty to defend such "claims" end when we have used up the Limit of Insurance available, as provided under SECTION III - LIMITS OF INSURANCE of this endorsement. This applies both to "claims" pending at that time and those filed thereafter.

3. When we control defense of a "claim", we will pay associated "defense expense" and choose a counsel of our choice from the panel of attorneys we have selected to deal with "employment practices" "claims". If you give us a specific written request at the time a "claim" is first made:

- a. You may select one of our panel of employment law attorneys; or
- b. You may ask us to consider the approval of a defense attorney of your choice that is not on our panel.

4. We will use the panel attorney you selected in (a.) above, or consider your request in (b.) above, when we deem it appropriate to engage counsel for such "claim".

5. If by mutual agreement or court order the insured assumes control of such defense before the applicable Limit of Insurance is used up, we will reimburse the insured for reasonable "defense expense", subject to item 6. immediately below.

6. If we defend you under a reservation of rights, both your and our counsel(s) will be required to maintain records pertinent to your "defense expenses". These records will be used to determine the allocation of any "defense expenses" for which you may be solely responsible, including defense of an allegation not covered by this insurance.

In any case, however, we only pay amounts in excess of the Deductible and such payments will reduce the Limit of Insurance available, as provided under SECTION III - LIMITS OF INSURANCE in this endorsement.

7. Upon prior notice to us and our approval, the first Named Insured is authorized to act on behalf of all insureds with respect to the payment of "damages" in settlement of any Administrative Hearing or other non-judicial proceeding before the Federal Equal Employment Opportunity Commission, or any similar Federal, state or local body or commission. This authorization is limited to (i) "damages" covered by this endorsement, (ii) "defense expenses" under part 4. of the Definition of "defense expenses" and (iii) amounts not in excess of two times the amount of the Deductible stated in the Schedule.

C. EXCLUSIONS

This insurance does not apply to "claims" arising directly or indirectly from any:

1. a. "Employment practices" which were the subject of any demand, suit or other proceeding which was initiated against any insured; or
 - b. Facts and circumstances, which would cause a reasonable person to believe a "claim" would be made and which were known to any insured,

prior to the effective date of the earlier of (i) the first endorsement of this type that we issued to you of which this endorsement was an uninterrupted renewal of this type of coverage, or (ii) this endorsement.
2. Breach of any express contract of employment or any express obligation to make payments in the event of termination of employment.
3. Obligation to pay "damages" by reason of the assumption of liability in any contract or agreement. This exclusion does not apply to liability for "damages" that the insured would have in the absence of the contract or agreement.

4. Of the following laws:

- a. Any workers compensation, disability benefits or unemployment compensation law, or any similar law, provided however, this exclusion shall not apply to any "claim" based upon, arising from, or in consequence of any actual or alleged retaliatory treatment of the claimant by the Insured on account of the claimant's exercise of rights pursuant to any such law;
- b. Employees' Retirement Income Security Act of 1974, Public Law 93-406, (E.R.I.S.A.) as now or hereafter amended, or any similar state or other governmental law. This includes fiduciary liability, liability arising out of the administration of any employee benefit plan and any other liability under any such laws;
- c. The Fair Labor Standards Act, the National Labor Relations Act of 1938, the Worker Adjustment and Retraining Notification Act (Public Law 100-37991988), the Consolidated Omnibus Budget Reconciliation Act of 1985, or the Occupational Safety and Health Act. This exclusion also applies to any rules or regulations promulgated under any of the foregoing and amendments thereto or any similar provisions of any federal, state or local law, and to that part of any "damages" awarded for the cost or replacement of any insurance benefits due or alleged to be due to any current or former "employee".

5. Oral or written publication of material, if such material:

- a. Was published by or at the direction of the insured with knowledge of the material's falsity; or
- b. Was first published before the Retroactive Date shown in the Schedule.

6. Dishonest, criminal or fraudulent acts of the insured or the willful failure by the insured or with the insured's consent to comply with any law or any governmental or administrative order or regulation relating to employment practices. Willful means acting with intentional or reckless disregard for such employment related laws, orders or regulations.

The enforcement of this exclusion against any insured under this endorsement shall not be imputed to any other insured.

7. "Bodily injury".

8. "Employment practices" which occur when or after:
 - a. You file for or are placed in any bankruptcy, receivership, liquidation or reorganization proceeding; or
 - b. Any other business entity acquires an ownership interest in you, which is greater than fifty percent.
9. Costs of complying with physical modifications to your premises or any changes to your usual business operations as mandated by the Americans with Disabilities Act of 1990 including any amendment thereto, or any similar federal, state or local law.
10. Lockout, strike, picket line, related worker replacement(s) or other similar actions resulting from labor disputes or labor negotiations.

SECTION II - WHO IS AN INSURED

- A. If you are designated in the Declarations as:
 1. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 2. A partnership or joint venture, you are an insured. Your current or former members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 3. A limited liability company, you are an insured. Your current or former members are also insureds, but only with respect to the conduct of your business. Your current or former managers are insureds, but only with respect to their duties as your managers.
 4. An organization other than a partnership or joint venture, you are an insured. Your current or former directors are insureds, but only with respect to their duties as your directors.
- B. Each of the following is also an insured:
 1. Your current or former "employees" but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.
 2. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this endorsement.
- C. Any heirs, executors, administrators, assignees or legal representatives of any individual insured above, in the event of the death, bankruptcy or incapacity of such insured, but only to the extent this insurance would have been available to such insured.

- D. Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 1. You must provide us notice of such acquisition or formation within 30 days of the effective date of your acquisition or formation;
 2. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 3. Coverage does not apply to any "employment practices" that occurred before you acquired or formed the organization; and
 4. You must pay us any additional premium due as a condition precedent to the enforceability of this additional extension of coverage.

This part D. does not apply to any organization after it is shown in the Declarations or added to this policy by endorsement.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III - LIMITS OF INSURANCE

- A. The Amount of Insurance stated as Total Aggregate Limit is the most we will pay for the sum of:
 1. All "damages" for all "claims" arising out of any actual or alleged "employment practices" covered by this insurance; and
 2. All "defense expense" for all "claims" seeking "damages" payable under paragraph 1. above.

Each payment we make for such "damages" or "defense expenses" reduces the Total Aggregate Limit by the amount of the payment. This reduced limit will then be the Amount of Insurance available for further "damages" and "defense expenses" under this endorsement.
- B. Subject to A. above, the Amount of Insurance stated as the Each "Claim" Limit of Insurance is the most we will pay in excess of the Deductible as further described in SECTION IV - DEDUCTIBLE of this endorsement for the sum of:
 1. All "damages" for injury arising from "employment practices" covered by this insurance arising out of one "claim" whether such "claim" is brought by one or more claimants: and

2. All "defense expense" associated with that specific "claim" in item B.1. immediately preceding.
- C. In addition to the payments for "damages" and "defense expense" in paragraphs A. and B. above, we will also pay all interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the amount available for the judgment under the provisions of paragraphs A. and B. above. These interest payments will not reduce the Limits of Insurance.

The Limits of Insurance of this endorsement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - DEDUCTIBLE

- A. A deductible applies to all "damages" for injury arising from "employment practices" and any "defense expense" however caused.
- B. Our obligation under this Employment Practices Liability to pay "damages" and "defense expense" on behalf of any insured applies only to the sum of the amount of "damages" and "defense expense" each "claim" which are in excess of the deductible amount stated in the Schedule.
- C. Your obligation is to pay that deductible which is applicable to each "claim" made against this insurance. That deductible applies to the sum of all "damages" because of injury arising from "employment practices" paid for each "claim" and applicable "defense expense" associated therewith. If there should be no "damages" paid for a "claim", you are still obligated to pay the applicable deductible for any "defense expense" incurred by us in connection with that "claim".
- D. The terms of this insurance apply irrespective of the application of the deductible, including those with respect to:
1. Our right and duty to defend any "claims" seeking those "damages"; and
 2. Your duties in the event of a "claim".
- E. We may, but are not required to, pay any part or all of the deductible to effect settlement of any "claim" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible as we may have paid for "damages" or "defense expense".

- F. The application of the deductible does not erode the Limits of Insurance provided.

SECTION V – COINSURANCE FOR PAYMENT OF "DAMAGES"

- A. With respect to any "claim" for which we pay "damages" under this insurance, you will be responsible for your share of such "damages", in excess of the applicable deductible, at the percentage shown in the Schedule as coinsurance participation. We will be responsible for the remaining percentage of "damages" payable under this endorsement subject to the applicable Limits of Insurance.
- B. Your coinsurance participation is limited as shown in the Schedule to a maximum amount per "claim".
- C. Subject to the provisions of this section we may make payments for "damages" and then request you to pay us your percentage share. You agree to reimburse us for your share. By making such payments for "damages", we do not waive our right to recover your share of such payment(s).
- D. The application of this coinsurance provision does not erode the Limits of Insurance provided.

SECTION VI - CONDITIONS

A. Bankruptcy

Subject to the exclusion in Section I, item C.8., the bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this endorsement.

B. Changes

This policy contains all agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Duties in Event of "Employment Practices" or "Claims"

1. You must see to it that we are notified as soon as practicable of any specific "employment practices" which you believe may result in an actual "claim". Your belief must be reasonably certain as the result of specific allegations made by a potential claimant or such potential claimant's representative, or as the result of specifically identifiable injury sustained by a potential claimant. To the extent possible, notice should include:
 - a. How, when and where such "employment practices" took place;
 - b. The names and addresses of any potential claimants and witnesses; and

- c. The nature of any injury arising out of such "employment practices".

Notice of such "employment practices" is not notice of a "claim", but preserves any insured's rights to future coverage for subsequent "claims" arising out of such "employment practices" as described in the Basic Extended Reporting Period of Section VII - EXTENDED REPORTING PERIODS.

2. If a "claim" is received by any insured:
 - a. You must immediately record the specifics of the "claim" and the date received;
 - b. You and any other involved insured must see to it that we receive written notice of the "claim", as soon as practicable, but in any event we must receive notice either:
 - (i) During the policy period or within 30 days thereafter; or
 - (ii) With respect to any "claim" first made during any Extended Reporting Period we provide under Section VII - EXTENDED REPORTING PERIODS, during such Extended Reporting Period, as a condition precedent for coverage under this insurance. Such notice must provide us with the same information as is required in item (a.) immediately preceding; and
 - c. You and any other involved insured must:
 - (i) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim";
 - (ii) Authorize us to obtain records and other information;
 - (iii) Cooperate with us in the investigation, settlement or defense of the "claim"; and
 - (iv) Assist us, upon our request, in the enforcement of any right against any person or organization, which may be liable to the insured because of injury or damage to which this insurance may also apply.
3. No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent, other than those specific payments authorized under Section I, item B.7. - DEFENSE OF CLAIMS, ADMINISTRATIVE HEARINGS & SETTLEMENT AUTHORITY, in this endorsement.

D Examination of Your Books and Records

We may examine and audit your books and records as they relate to this endorsement at any time during the endorsement period and up to three years afterward.

E. Inspections and Surveys

We have the right but are not obligated to:

1. Make inspections and surveys at any time;
2. Give you reports on the employment conditions we find; and
3. Recommend procedures, guidelines and changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not undertake to perform the duty of any person or organization to provide for the health or safety of, or lawful practices with your workers or the public. We do not warrant that conditions:

- a. Are safe or healthful; or
- b. Comply with laws, regulations, codes or standards as they relate to the purpose of this or any other insurance.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization, which makes insurance inspections, surveys, reports or recommendations on our behalf.

F. Legal Action Against Us

No person or organization has a right under this endorsement:

1. To join us as a party or otherwise bring us into a "claim" seeking "damages" from any insured; or
2. To sue us on this coverage part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; but we will not be liable for "damages" that are not payable under the terms of this endorsement or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

G. Other Insurance

If other valid and collectible insurance is available to the insured for "damages" or "defense expense" we cover under this endorsement, our obligations are limited as follows:

1. As this insurance is the primary insurance, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in 2. below.
2. If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

H. Payment of Premiums, Deductibles and Coinsurance Amounts

1. We will compute all premiums for this insurance in accordance with our rules and rates; and
2. The first Named Insured shown in the Declarations is responsible for the payment of all premiums, deductibles and coinsurance payments due and will be the payee for any return premiums we pay.

I. Representations

By accepting this policy, you agree:

1. The statements in the Declarations are accurate and complete;
2. Those statements are based upon representations you made to us in your application for this insurance; and
3. Since we have issued this policy in reliance upon your representations, this policy is voidable if any material fact or circumstance relating to the subject of this insurance is omitted or misrepresented in your application.

J. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this endorsement to the first Named Insured, this insurance applies:

1. As if each Named Insured were the only Named Insured; and
2. Separately to each insured against whom "claim" is made.

K. Sole Agent

The first Named Insured is authorized to act on behalf of all insureds as respects the giving or receiving of notice of cancellation or nonrenewal, receiving premium refunds, requesting any Supplemental Extended Reporting Period and agreeing to any changes in this policy.

L. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this endorsement, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will sue those responsible or transfer those rights to us and help us enforce them.

M. Transfer of Your Rights and Duties Under This Policy

Your rights and duties under this endorsement may not be transferred without our written consent.

SECTION VII - EXTENDED REPORTING PERIODS

A. We will provide Extended Reporting Periods, as described below, if:

1. This endorsement is cancelled or not renewed; or
2. We renew or replace this endorsement with insurance that:
 - a. Has a Retroactive Date later than the date shown in the Schedule of this endorsement; or
 - b. Does not apply on a claims-made basis.

B. Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. They apply only to "claims" as the result of "employment practices" which occurred after the Retroactive Date shown in the Schedule and before the end of the policy period. Once in effect, Extended Reporting Periods may not be cancelled.

C. Extended Reporting Periods do not reinstate or increase the Limits of Insurance.

D. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for:

1. Five years with respect to "claims" arising out of "employment practices" which had been properly reported to us during the policy period in accordance with paragraph C.1. of Duties in the Event of "Employment Practices" or "Claims", in CONDITIONS (Section VI) of this endorsement; and

2. Thirty (30) days with respect to "claims" arising from "employment practices" not previously reported to us.

The Basic Extended Reporting Period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such claims.

- E. A Supplemental Extended Reporting Period of either twelve (12) months or thirty-six (36) months duration is available, but only by an endorsement and for an extra charge. This supplemental period starts when the Basic Extended Reporting Period, set forth in paragraph D.2. above, ends. You must give us a written request for the endorsement, and its length, within 30 days after the end of the policy period. The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium when due. We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

1. The exposures insured;
2. Previous types and amounts of insurance;
3. Limits of Insurance available under this endorsement for future payment of "damages" or "defense expense"; and
4. Other related factors.

The additional premium will not exceed 200% of the annual premium for this endorsement.

- F. The Supplemental Extended Reporting Period Endorsement we issue shall set forth the terms, not inconsistent with this Section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period begins.

SECTION VIII - DEFINITIONS

- A. **"Bodily injury"** means physical injury to the body, sickness or disease sustained by a person as the result of direct physical injury to the body, including death resulting from any of these at any time. "Bodily injury" does not include mental anguish or emotional distress that results from an "employment practice".
- B. **"Claim"** means written or oral notice presented by:
1. Any "employee", "leased worker", "temporary worker", former "employee" or applicant for employment by you; or

2. The EEOC or any other Federal, state or local administrative or regulatory agency on behalf of such person in item 1. immediately preceding, that the insured is responsible for "damages" as a result of injury arising out of any "employment practices".

"Claim" includes any civil proceeding in which either "damages" are alleged or fact finding will take place, when either is the actual or alleged result of any "employment practice" to which this insurance applies. This includes:

- a. An arbitration proceeding in which such "damages" are claimed and to which the insured submits with our consent;
- b. Any other alternative dispute resolution proceeding in which such "damages" are claimed and to which the insured submits with our consent; or
- c. Any administrative proceedings established under applicable federal, state or local laws as may be applicable to "employment practices" covered under this insurance.

C. **"Coverage territory"** means:

1. The United States of America (including its territories and possessions) and Puerto Rico; or
2. Anywhere in the world with respect to the activities of a person whose place of employment is in the territory described in 1. above, while he or she is away for a short time on your business;

provided that the insured's responsibility to pay "damages" is determined in a suit (or in any other type of civil proceeding as described under the definition of "claim") on the merits in, and under the substantive law of, the United States of America (including its territories and possessions) or Puerto Rico.

- D. **"Damages"** means monetary amounts to which this insurance applies and which the insured is legally obligated to pay as judgments or awards, or as settlements to which we have agreed in writing. "Damages" include (i) "pre-judgment interest" awarded against the insured on that part of the judgment we pay, (ii) to the extent allowed by law, any portion of a judgment or award that represents a multiple of the compensatory amounts or punitive or exemplary damages, and (iii) statutory attorney fees.

"Damages" do not include:

1. Civil, criminal, administrative or other fines or penalties;

2. Equitable relief, injunctive relief, declarative relief or any other relief or recovery other than monetary amounts; or
 3. Judgments or awards because of acts deemed uninsurable by law.
- E. "Defense expense"** means payments allocated to a specific "claim" for its investigation, settlement, or defense, including:
1. Attorney fees and all other litigation expenses.
 2. The cost of bonds to appeal a judgment or award in any "claim" we defend. We do not have to furnish these bonds.
 3. The cost of bonds to release attachments, but only for bond amounts within the Amount of Insurance available. We do not have to furnish these bonds.
 4. Reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of any "claim", including actual loss of earnings up to \$250 a day because of time off from work.
 5. Costs taxed against the insured in the "claim".
- "Defense expense" does not include:
- a. Salaries and expenses of our employees or your "employees", other than:
 - (i) That portion of our employed attorneys' fees, salaries and expenses allocated to a specific claim" for the defense of the insured; and
 - (ii) The expenses described in 4. above;
 - b. Interest on the full amount of any judgment that accrues after entry of the judgement and before we have paid, offered to pay, or deposited in court the amount available for the judgement under the provisions of SECTION III – LIMITS OF INSURANCE.
- F. "Employee"** means a person (i) employed by you for wages or salary, or (ii) who is a current or former member of your board of directors. But "employee" does not include any independent contractor, any employees of any independent contractor while acting within the scope of their employment, any "leased worker" or any "temporary worker".

- G. "Employment Practices"** means any of the following actual or alleged practices (i) which are directed against any of your "employees", "leased workers", "temporary workers", former "employees" or any applicant for employment by you, and (ii) for which remedy is sought under any federal, state or local statutory or common civil employment law:
1. Wrongful refusal to employ a qualified applicant for employment;
 2. Wrongful failure to promote, or wrongful deprivation of career opportunity;
 3. Wrongful demotion, negligent evaluation, negligent reassignment or wrongful discipline;
 4. Wrongful termination of employment, including retaliatory or constructive discharge;
 5. Employment related misrepresentation;
 6. Harassment, coercion, discrimination or humiliation as a consequence of race, color, creed, national origin, marital status, medical condition, gender, age, physical appearance, physical and/or mental impairments, pregnancy, sexual orientation or sexual preference or any other protected class or characteristic established by any applicable federal, state, or local statute; or
 7. Oral or written publication of material that slanders, defames, libels, violates, or invades a right of privacy.
- H. "Leased worker"** means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- I. "Pre-judgment interest"** means interest added to a settlement, verdict, award or judgment based on the amount of time prior to the settlement, verdict, award or judgment, whether or not made part of the settlement, verdict, award or judgment.
- J. "Temporary worker"** means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

COMMERCIAL AUTO
CA 20 55 Z 10 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FELLOW EMPLOYEE COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

The **Fellow Employee** Exclusion contained under the **Covered Autos Liability Coverage** does not apply to claims for "bodily injury" resulting from the use of a covered "auto" where the fellow "employee" is not immune from "suit" or civil liability for "bodily injury" by reason of Workers Compensation laws or other similar laws.

Coverage is excess over any other collectible insurance.

POLICY NUMBER: B010120

COMMERCIAL AUTO
CA 25 03 10 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****FALSE PRETENSE COVERAGE**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: Siglers Automotive and Body Shop, Inc**Endorsement Effective Date:** 12-01-2022**SCHEDULE**

Limit Of Insurance – \$25,000 unless another limit is shown below or in the Declarations		
\$ 25,000	Limit Of Insurance	
Named Location Number From Item Three Of The Declarations	Total Inventory Value For Each Named Location	Premium
2	\$ 150,000	\$ 26
1	\$ 150,000	\$ 26
	\$	\$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

Paragraph **F. Physical Damage Coverage** of **Section I – Covered Autos Coverages** is changed as follows:**A.** The following is added:

1. Any "auto" you have acquired is a covered "auto" under False Pretense Coverage.
2. We will pay for "loss" to a covered "auto" under False Pretense Coverage caused by:
 - a. Someone causing you to voluntarily part with the covered "auto" by trick or scheme or under false pretenses.
 - b. Your acquiring an "auto" from a seller who did not have legal title.

B. Paragraph **3. Exclusions** is changed as follows:

1. The **False Pretense** Exclusion does not apply.
2. The following exclusions are added:
 - a. The insurance under Paragraph **A.2.a.** of this endorsement does not apply unless:
 - (1) You had legal title to, or consignment papers for, the covered "auto" prior to "loss"; and
 - (2) You make every effort to recover the covered "auto" when it is located.
 - b. False Pretense Coverage does not apply to a loss which, for any reason, a bank or any other drawee fails to pay.

- C. Paragraph **4. Limits Of Insurance** is changed by adding the following:

Under False Pretense Coverage, the Limit Of Insurance shown in the Schedule is the most we will pay for all "loss" caused by any one person within any one year of the policy period.

- D. Paragraph **5. Deductible** is changed by adding the following:

From our obligation under False Pretense Coverage, we will deduct the actual value of any property delivered to you in full or partial payment for title to or possession of a covered "auto".

- E. The following is added to the **Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions** Condition:

You, or someone on your behalf, must take all reasonable steps to cause a warrant to be issued, as soon as practicable, for the arrest of anyone causing a "loss" defined within the False Pretense Coverage. Failure to cause such warrant to be issued as required by this condition shall not invalidate any claim made by you, if it is shown that reasonable efforts were made.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – YEAR 2000 COMPUTER-RELATED AND OTHER ELECTRONIC PROBLEMS – WITH EXCEPTION FOR BODILY INJURY ON YOUR PREMISES

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

Section II – General Liability Coverages is changed as follows:

A. The following exclusion is added to Paragraph 2. Exclusions of Paragraph A. Bodily Injury And Property Damage Liability:

This insurance does not apply to "bodily injury" or "property damage" arising directly or indirectly out of:

1. Any actual or alleged failure, malfunction or inadequacy of:
 - a. Any of the following, whether belonging to any "insured" or to others:
 - (1) Computer hardware, including microprocessors;
 - (2) Computer application software;
 - (3) Computer operating systems and related software;
 - (4) Computer networks;
 - (5) Microprocessors (computer chips) not part of any computer system; or
 - (6) Any other computerized or electronic equipment or components; or
 - b. Any other products and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph A.1.a. of this endorsement;
- due to the inability to correctly recognize, process, distinguish, interpret or accept the year 2000 and beyond.

2. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for any potential or actual problems described in Paragraph A.1. of this endorsement.

This exclusion does not apply to "bodily injury" occurring on any premises owned by or rented to you.

B. The following exclusion is added to Paragraph 2. Exclusions of Paragraph B. Personal And Advertising Injury Liability:

This insurance does not apply to "personal and advertising injury" arising directly or indirectly out of:

1. Any actual or alleged failure, malfunction or inadequacy of:
 - a. Any of the following, whether belonging to any "insured" or to others:
 - (1) Computer hardware, including microprocessors;
 - (2) Computer application software;
 - (3) Computer operating systems and related software;
 - (4) Computer networks;
 - (5) Microprocessors (computer chips) not part of any computer system; or
 - (6) Any other computerized or electronic equipment or components; or

- b.** Any other products and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **B.1.a.** of this endorsement;

due to the inability to correctly recognize, process, distinguish, interpret or accept the year 2000 and beyond.

- 2.** Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for any potential or actual problems described in Paragraph **B.1.** of this endorsement.

This exclusion does not apply to "bodily injury" occurring on any premises owned by or rented to you.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO MEDICAL PAYMENTS COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred, for services rendered within three years from the date of the "accident".

B. Who Is An Insured

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

C. Exclusions

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.

3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member".
4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily Injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

D. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit Of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

E. Changes In Conditions

The **Conditions** are changed for **Auto Medical Payments Coverage** as follows:

1. The **Transfer Of Rights Of Recovery Against Others To Us** Condition does not apply.
2. The reference in **Other Insurance** in the Auto Dealers and Business Auto Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form to "other collectible insurance" applies only to other collectible auto medical payments insurance.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.

POLICY NUMBER: B010120

COMMERCIAL AUTO
CA 99 90 10 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****OPTIONAL LIMITS – LOSS OF USE EXPENSES**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
 BUSINESS AUTO COVERAGE FORM
 MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: Siglers Automotive and Body Shop, Inc

Endorsement Effective Date: 12-01-2022

SCHEDULE

Amount Per Day	Maximum	Premium
\$ 50	\$ 1,500	\$ 50
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

Physical Damage Coverage is amended as follows:

The **Coverage Extension** for **Loss Of Use Expenses** in Paragraph **A.4.b.** in the Business Auto and Motor Carrier Coverage Forms and Paragraph **F.2.** in the Auto Dealers Coverage Form are replaced by the following:

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or agreement. We will pay for loss of use expenses caused by:

- (1) Other than collision only if the Declarations indicates that Comprehensive Coverage is provided for any covered "auto";

- (2) Specified Causes Of Loss only if the Declarations indicates that Specified Causes Of Loss Coverage is provided for any covered "auto"; or

- (3) Collision only if the Declarations indicates that Collision Coverage is provided for any covered "auto".

However, the most we will pay under this coverage is the amount shown in the Schedule.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOSS TO CUSTOMER'S PERSONAL PROPERTY

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

Paragraph **E.1. Garagekeepers Coverage** of **Section I – Covered Autos Coverages** is amended by the addition of the following:

We will pay up to \$1,000 for "loss" to personal property left in or with a "customer's auto".

This coverage is subject to a \$250 per "loss" deductible. Payment under this coverage will not reduce the Limit of Insurance.

AUTO DEALERS COVERAGE FORM

Various provisions in this Policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this Policy, the words "you" and "your" refer to the Named Insured shown in the Declarations and include your spouse, if you are an individual. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **V** – Definitions.

SECTION I – COVERED AUTOS COVERAGES

A. Description Of Covered Auto Designation Symbols

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

Symbol	Description Of Covered Auto Designation Symbols	
21	Any "Auto"	
22	Owned "Autos" Only	Only those "autos" you own (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the Policy begins.
23	Owned Private Passenger "Autos" Only	Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the Policy begins.
24	Owned "Autos" Other Than Private Passenger "Autos" Only	Only those "autos" you own that are not of the private passenger type (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the Policy begins.
25	Owned "Autos" Subject To No-fault	Only those "autos" you own that are required to have no-fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the Policy begins provided they are required to have no-fault benefits in the state where they are licensed or principally garaged.
26	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law	Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the Policy begins provided they are subject to the same state uninsured motorists requirement.
27	Specifically Described "Autos"	Only those "autos" described in Item Seven of the Declarations for which a premium charge is shown (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to a power unit described in Item Seven).
28	Hired "Autos" Only	Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent, or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

29	Non-owned "Autos" Used In Your "Auto" Dealership	Any "auto" you do not own, lease, hire, rent or borrow used in connection with your "auto" dealership described in the Declarations. This includes "autos" owned by your "employees" or partners (if you are a partnership), members (if you are a limited liability company) or members of their households while used in your "auto" dealership.
30	"Autos" Left With You For Service, Repair, Storage Or Safekeeping	Any land motor vehicle, trailer or semitrailer lawfully within your possession for service, repair, storage or safekeeping, with or without the vehicle owner's knowledge or consent. This also includes "autos" left in your care by your "employees" and members of their households who pay for the services performed.
31	"Auto" Dealers' "Autos" (Physical Damage Coverages)	Any "autos" and the interests in these "autos" described in Item Six of the Declarations.

B. Owned Autos

1. If Symbols **21**, **22**, **23**, **24**, **25** or **26** are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire after the policy period begins of the type described for the remainder of the policy period.
2. But, if Symbol **27** is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire after the policy period begins will be a covered "auto" for that coverage only if:
 - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
 - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.
3. An "auto" that is leased or rented to you without a driver, under a written agreement for a continuous period of at least six months that requires you to provide primary insurance covering such "auto", will be considered a covered "auto" you own.

C. Certain Trailers And Temporary Substitute Autos

If Covered Autos Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Covered Autos Liability Coverage:

1. "Trailers" with a registered Gross Vehicle Weight Rating of 3,000 pounds or less designed primarily for travel on public roads.

2. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:

- a. Breakdown;
- b. Repair;
- c. Servicing;
- d. "Loss"; or
- e. Destruction.

D. Covered Autos Liability Coverage

1. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Covered "Autos" Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

2. Who Is An Insured

The following are "insureds" for covered "autos":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
 - (1) The owner or anyone else from whom you hire or borrow a covered "auto".
This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.
 - (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
 - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing or repairing "autos" unless that business is yours.
 - (4) Your customers. However, if a customer of yours:
 - (a) Has no other available insurance (whether primary, excess or contingent), they are an "insured" but only up to the compulsory or financial responsibility law limits where the covered "auto" is principally garaged.
 - (b) Has other available insurance (whether primary, excess or contingent) less than the compulsory or financial responsibility law limits where the covered "auto" is principally garaged, they are an "insured" only for the amount by which the compulsory or financial responsibility law limits exceed the limit of their other insurance.

- (5) A partner (if you are a partnership), or a member (if you are a limited liability company), for a covered "auto" owned by him or her or a member of his or her household.

- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.
- d. Your "employee" while using a covered "auto" you do not own, hire or borrow in your business or your personal affairs.

3. Coverage Extensions

a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for the cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-of-state Coverage Extensions

While a covered "auto" is away from the state where it is licensed, we will:

- (1) Increase the Limit of Insurance for Covered Autos Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

4. Exclusions

This insurance does not apply to any of the following:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

b. Contractual

Liability assumed under any contract or agreement. But this exclusion does not apply to liability for damages:

- (1) Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- (2) That the "insured" would have in the absence of the contract or agreement.

c. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

d. Employee Indemnification And Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the "insured" arising out of and in the course of:
 - (a) Employment by the "insured"; or

- (b) Performing the duties related to the conduct of the "insured's" business; or

- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

- (a) Whether the "insured" may be liable as an employer or in any other capacity; and
- (b) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of Covered Autos Liability Coverage, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

e. Fellow Employee

"Bodily injury" to:

- (1) Any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
- (2) The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph (1) above.

f. Care, Custody Or Control

"Property damage" to or "covered pollution cost or expense" involving:

- (1) Property owned, rented or occupied by the "insured";
- (2) Property loaned to the "insured";
- (3) Property held for sale or being transported by the "insured"; or
- (4) Property in the "insured's" care, custody or control.

But this exclusion does not apply to liability assumed under a sidetrack agreement.

g. Leased Autos

Any covered "auto" while leased or rented to others. But this exclusion does not apply to a covered "auto" you rent to one of your customers while their "auto" is left with you for service or repair.

h. Pollution

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- (1) That are, or that are contained in any property that is:
 - (a) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto";
 - (b) Otherwise in the course of transit by or on behalf of the "insured"; or
 - (c) Being stored, disposed of, treated or processed in or upon the covered "auto";
- (2) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- (3) After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph (1) above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if the "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants".

Paragraphs (2) and (3) above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

i. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

j. Handling Of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- (1) Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- (2) After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

k. Movement Of Property By Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

l. Defective Products

"Property damage" to any of your "products" if caused by a defect existing in your "products" or any part of your "products" at the time it was transferred to another.

m. Work You Performed

"Property damage" to "work you performed" if the "property damage" results from any part of the work itself or from the parts, materials or equipment used in connection with the work.

n. Damage To Impaired Property Or Property Not Physically Damaged

"Property damage" to "impaired property" or other property not physically damaged if caused by:

- (1) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

- (2) A defect, deficiency, inadequacy or dangerous condition in your "products" or "work you performed". But this exclusion, n.(2), does not apply if the loss of use was caused by sudden and accidental damage to or destruction of your "products" or "work you performed" after they have been put to their intended use.

o. Products Recall

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of your "products" or "work you performed" or other property of which they form a part, if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

p. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

q. Acts, Errors Or Omissions

"Bodily injury" or "property damage" arising out of "acts, errors or omissions".

r. Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance or use of "unmanned aircraft".

5. Limit Of Insurance – Covered Autos Liability

For "accidents" resulting from the ownership, maintenance or use of covered "autos", the following applies:

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" involving a covered "auto" is the Limit Of Insurance for Covered "Autos" Liability Coverage shown in the Declarations.

Damages and "covered pollution cost or expense" payable under the Limit of Insurance for Covered "Autos" Liability Coverage are not payable under any applicable Limits of Insurance under Section II – General Liability Coverages or Section III – Acts, Errors Or Omissions Liability Coverage.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Auto Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

E. Garagekeepers Coverage

1. Coverage

- a. We will pay all sums the "insured" legally must pay as damages for "loss" to a "customer's auto" or "customer's auto" equipment left in the "insured's" care while the "insured" is attending, servicing, repairing, parking or storing it in your "auto dealer operations" under:

(1) Comprehensive Coverage

From any cause except:

- (a) The "customer's auto's" collision with another object; or

(b) The "customer's auto's" overturn.

(2) Specified Causes Of Loss Coverage

Caused by:

- (a) Fire, lightning or explosion;
- (b) Theft; or
- (c) Mischief or vandalism.

(3) Collision Coverage

Caused by:

- (a) The "customer's auto's" collision with another object; or
- (b) The "customer's auto's" overturn.

- b. We have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for any loss to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends for a coverage when the Limit of Insurance for that coverage has been exhausted by payment of judgments or settlements.

2. Who Is An Insured

The following are "insureds" for "loss" to "customer's autos" and "customer's auto" equipment:

- a. You.
- b. Your partners and their spouses, if you are a partnership, but only with respect to the conduct of your "auto dealer operations".
- c. Your members, if you are a limited liability company, but only with respect to the conduct of your "auto dealer operations". Your managers are also "insureds", but only with respect to their duties as your managers.
- d. Your "executive officers" and directors, if you are an organization other than a partnership or limited liability company, but only with respect to their duties as your officers or directors. Your stockholders are also "insureds", but only with respect to their liability as stockholders.
- e. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of employment by you or while performing duties related to the conduct of your "auto dealer operations".

3. Coverage Extensions

The following apply as **Supplementary Payments**. We will pay for the "insured":

- a. All expenses we incur.
- b. The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- c. All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- d. All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- e. All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

4. Exclusions

- a. This insurance does not apply to any of the following:

(1) Contractual

Liability resulting from any contract or agreement by which the "insured" accepts responsibility for "loss". But this exclusion does not apply to liability for "loss" that the "insured" would have in the absence of the contract or agreement.

(2) Theft

"Loss" due to theft or conversion caused in any way by you, your "employees" or by your stockholders.

(3) Defective Parts

Defective parts or materials.

(4) Faulty Work

Faulty "work you performed".

- b. We will not pay for "loss" to any of the following:
 - (1) Tape decks or other sound-reproducing equipment unless permanently installed in a "customer's auto".

- (2) Tapes, records or other sound-reproducing devices designed for use with sound-reproducing equipment.
 - (3) Sound-receiving equipment designed for use as a citizens' band radio, two-way mobile radio or telephone or scanning monitor receiver, including its antennas and other accessories, unless permanently installed in the dash or console opening normally used by the "customer's auto" manufacturer for the installation of a radio.
 - (4) Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.
- c. We will not pay for "loss" caused by or resulting from the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".
- (1) War, including undeclared or civil war;
 - (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

5. Limit Of Insurance And Deductibles

- a. Regardless of the number of "customer's autos", "insureds", premiums paid, claims made or "suits" brought, the most we will pay for each "loss" at each location is the Garagekeepers Coverage Limit Of Insurance shown in the Declarations for that location. Prior to the application of this limit, the damages for "loss" that would otherwise be payable will be reduced by the applicable deductibles for "loss" caused by:
- (1) Collision; or
 - (2) With respect to Garagekeepers Coverage Comprehensive or Specified Causes Of Loss Coverage:
 - (a) Theft or mischief or vandalism; or
 - (b) All perils.

- b. The maximum deductible stated in the Declarations for Garagekeepers Coverage Comprehensive or Specified Causes Of Loss Coverage is the most that will be deducted for all "loss" in any one event caused by:
- (1) Theft or mischief or vandalism; or
 - (2) All perils.
- c. To settle a claim or "suit", we may pay all or any part of the deductible. If this happens, you must reimburse us for the deductible or that part of the deductible that we paid.

F. Physical Damage Coverage

1. Coverage

- a. We will pay for "loss" to a covered "auto" or its equipment under:

(1) Comprehensive Coverage

From any cause except:

- (a) The covered "auto's" collision with another object; or
- (b) The covered "auto's" overturn.

(2) Specified Causes Of Loss Coverage

Caused by:

- (a) Fire, lightning or explosion;
- (b) Theft;
- (c) Windstorm, hail or earthquake;
- (d) Flood;
- (e) Mischief or vandalism; or
- (f) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

(3) Collision Coverage

Caused by:

- (a) The covered "auto's" collision with another object; or
- (b) The covered "auto's" overturn.

b. Glass Breakage – Hitting A Bird Or Animal – Falling Objects Or Missiles

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- (1) Glass breakage;

- (2) "Loss" caused by hitting a bird or animal; and
- (3) "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

2. Coverage Extension – Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- a. Other than collision only if the Declarations indicates that Comprehensive Coverage is provided for any covered "auto";
- b. Specified Causes of Loss only if the Declarations indicates that Specified Causes Of Loss Coverage is provided for any covered "auto"; or
- c. Collision only if the Declarations indicates that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$30 per day, to a maximum of \$900.

3. Exclusions

- a. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

(1) Nuclear Hazard

- (a) The explosion of any weapon employing atomic fission or fusion; or
- (b) Nuclear reaction or radiation, or radioactive contamination, however caused.

(2) War Or Military Action

- (a) War, including undeclared or civil war;
- (b) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (c) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

- b. We will not pay for "loss" to any of the following:

- (1) Any covered "auto" leased or rented to others unless rented to one of your customers while their "auto" is left with you for service or repair.
- (2) Any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such contest or activity.
- (3) Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- (4) Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.
- (5) Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.
- (6) Any accessories used with the electronic equipment described in Paragraph (5) above.

Exclusions **b.(5)** and **b.(6)** do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- (a) Permanently installed in or upon the covered "auto" ;
- (b) Removable from a housing unit which is permanently installed in or upon the covered "auto";
- (c) An integral part of the same unit housing any electrical equipment described in Paragraphs (a) and (b) above; or
- (d) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

c. False Pretense

We will not pay for "loss" to a covered "auto" caused by or resulting from:

- (1) Someone causing you to voluntarily part with it by trick or scheme or under false pretenses; or
- (2) Your acquiring an "auto" from a seller who did not have legal title.

d. We will not pay for:

- (1) Your expected profit, including loss of market value or resale value.
- (2) "Loss" to any covered "auto" displayed or stored at any location not shown in Item Three of the Declarations if the "loss" occurs more than 45 days after your use of the location begins.
- (3) Under the Collision Coverage, "loss" to any covered "auto" while being driven or transported from the point of purchase or distribution to its destination if such points are more than 50 road miles apart.
- (4) Under the Specified Causes Of Loss Coverage, "loss" to any covered "auto" caused by or resulting from the collision or upset of any vehicle transporting it.

e. We will not pay for "loss" to a covered "auto" due to "diminution in value".**f. Other Exclusions**

We will not pay for "loss" due and confined to:

- (1) Wear and tear, freezing, mechanical or electrical breakdown.
- (2) Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

4. Limits Of Insurance**a. The most we will pay for:**

- (1) "Loss" to any one covered "auto" is the lesser of:
 - (a) The actual cash value of the damaged or stolen property as of the time of "loss"; or
 - (b) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

- (2) All electronic equipment that reproduces, receives or transmits audio, visual or data signals in any one "loss" is \$1,000, if, at the time of "loss", such electronic equipment is:

- (a) Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
- (b) Removable from a permanently installed housing unit as described in Paragraph (2)(a) above; or
- (c) An integral part of such equipment as described in Paragraphs (2)(a) and (2)(b) above.

- b. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".

- c. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

d. The following provisions also apply:

- (1) Regardless of the number of covered "autos" involved in the "loss", the most we will pay for all "loss" at any one location is the amount shown in the Declarations for that location. Regardless of the number of covered "autos" involved in the "loss", the most we will pay for all "loss" in transit is the amount shown in the Declarations for "loss" in transit.

(2) Quarterly Or Monthly Reporting Premium Basis

If, on the date of your last report, the actual value of the covered "autos" at the "loss" location exceeds what you last reported, when a "loss" occurs we will pay only a percentage of what we would otherwise be obligated to pay. We will determine this percentage by dividing your total reported value for the involved location by the total actual value at the "loss" location on the date of your last report.

If the first report due is delinquent on the date of "loss", the most we will pay will not exceed 75 percent of the Limit Of Insurance shown in the Declarations for the applicable location.

(3) Nonreporting Premium Basis

If, when "loss" occurs, the total value of your covered "autos" exceeds the Limit Of Insurance shown in the Declarations, we will pay only a percentage of what we would otherwise be obligated to pay. We will determine this percentage by dividing the Limit of Insurance by the total actual value at the "loss" location at the time the "loss" occurred.

5. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations prior to the application of the Limit Of Insurance, provided that:

- a. The Comprehensive or Specified Causes Of Loss Coverage deductible applies only to "loss" caused by:
 - (1) Theft or mischief or vandalism; or
 - (2) All perils.
- b. Regardless of the number of covered "autos" damaged or stolen:
 - (1) The per "loss" deductible for Comprehensive or Specified Causes Of Loss Coverage shown in Item Six of the Declarations for "autos" held for sale is the maximum deductible applicable for all "loss" in any one event caused by:
 - (a) Theft or mischief or vandalism; or
 - (b) All perils.
 - (2) The maximum deductible applicable to "autos" not held for sale for all "loss" in any one event caused by:
 - (a) Theft or mischief or vandalism; or
 - (b) All perils,
 will be equal to five times the highest deductible applicable to any one covered "auto" on the Policy for Comprehensive or Specified Causes Of Loss Coverage. The application of the highest deductible used to calculate the maximum deductible will be made regardless of which covered "autos" were damaged or stolen in the "loss".

SECTION II – GENERAL LIABILITY COVERAGES**A. Bodily Injury And Property Damage Liability****1. Coverage**

- a. We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from your "auto dealer operations".

We have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. But:

- (1) The amount we will pay for damages is limited as described in Paragraph **F. Limits Of Insurance – General Liability Coverages**; and
- (2) Our duty to defend or settle ends when the applicable limit of insurance has been exhausted by payment of judgments or settlements under Paragraph **A. Bodily Injury And Property Damage Liability** or **B. Personal And Advertising Injury Liability** or medical expenses under Paragraph **C. Locations And Operations Medical Payments**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

- b. This insurance applies to "bodily injury" and "property damage" only if:
 - (1) The "accident" occurs in the coverage territory;
 - (2) The "bodily injury" or "property damage" occurs during the policy period; and

(3) Prior to the policy period, no "insured" listed under Paragraphs **D.1.** through **D.4.** of the Who Is An Insured provision and no "employee" authorized by you to give or receive notice of an "accident" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed "insured" or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any "insured" listed under Paragraphs **D.1.** through **D.4.** of the Who Is An Insured provision or any "employee" authorized by you to give or receive notice of an "accident" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any "insured" listed under Paragraphs **D.1.** through **D.4.** of the Who Is An Insured provision or any "employee" authorized by you to give or receive notice of an "accident" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

2. Exclusions

This insurance does not apply to any of the following:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured". This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual

Liability assumed under any contract or agreement. But this exclusion does not apply to liability for damages:

- (1) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- (2) That the "insured" would have in the absence of the contract or agreement.

c. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

d. Employee Indemnification And Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the "insured" arising out of and in the course of:
 - (a) Employment by the "insured"; or
 - (b) Performing the duties related to the conduct of the "insured's" business;
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above;
- (3) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (4) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraph (3)(a), (b) or (c) above are directed.

This exclusion applies:

- (a) Whether the injury-causing event described in Paragraph (3)(a), (b) or (c) above occurs before employment, during employment or after employment of that person;

- (b) Whether the "insured" may be liable as an employer or in any other capacity; and
- (c) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

Paragraphs (1) and (2) of this exclusion do not apply to liability assumed by the "insured" under an "insured contract".

e. Damage To Property

"Property damage" to:

- (1) Property you own, rent or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Property loaned to the "insured";
- (3) Property held for sale or being transported by the "insured"; or
- (4) Property in the "insured's" care, custody or control.

Paragraphs (1), (2) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Paragraph F. Limits Of Insurance – General Liability Coverages.

This exclusion does not apply to liability assumed under a sidetrack agreement.

f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location that is or was at any time owned or occupied by, or rented or loaned to, any "insured";
 - (b) At or from any premises, site or location that is or was at any time used by or for any "insured" or others for the handling, storage, disposal, processing or treatment of waste;

- (c) At or from any premises, site or location on which any "insured" or any contractors or subcontractors working directly or indirectly on any "insured's" behalf are performing operations:

- (i) To test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, the "pollutants"; or

- (ii) If the "pollutants" are brought on or to the premises, site or location in connection with such operations by such "insured", contractor or subcontractor; or

- (d) That are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any "insured" or any person or organization for whom you may be legally responsible.

Paragraphs (1)(a) and (1)(c)(ii) do not apply to "bodily injury" or "property damage" arising out of heat, smoke or fumes from a hostile fire. A hostile fire means one that becomes uncontrollable, or breaks out from where it was intended to be.

Paragraph (1)(a) does not apply to "bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests.

Paragraph (1)(c)(ii) does not apply to "bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from material brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor.

(2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the "insured" would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any "insured". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "accident" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any "insured".

This exclusion does not apply to:

- (1) A watercraft while ashore on premises where you conduct "auto dealer operations";
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge; or
- (3) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft.

h. Defective Products

"Property damage" to any of your "products" if caused by a defect existing in your "products" or any part of your "products" at the time it was transferred to another.

i. Work You Performed

"Property damage" to "work you performed" if the "property damage" results from any part of the work itself or from the parts, materials or equipment used in connection with the work.

j. Damage To Impaired Property Or Property Not Physically Damaged

"Property damage" to "impaired property" or other property not physically damaged if caused by:

- (1) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.
- (2) A defect, deficiency, inadequacy or dangerous condition in your "products" or "work you performed". But this exclusion, j.(2), does not apply if the loss of use was caused by sudden and accidental damage to or destruction of your "products" or "work you performed" after they have been put to their intended use.

k. Products Recall

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of your "products" or "work you performed" or other property of which they form a part, if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

l. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

m. Liquor Liability

"Bodily injury" or "property damage" for which any "insured" may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

n. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

o. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair And Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

p. Access Or Disclosure Of Confidential Or Personal Information

"Bodily injury" or "property damage" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information. This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

Exclusions **c.** through **m.** do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Paragraph **F. Limits Of Insurance – General Liability Coverages.**

B. Personal And Advertising Injury Liability

1. Coverage

We will pay all sums the "insured" legally must pay as damages because of "personal and advertising injury" to which this insurance applies, caused by an offense arising out of your "auto dealer operations", but only if the offense was committed in the coverage territory during the policy period.

We will have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. But:

- a.** The amount we will pay for damages is limited as described in Paragraph **F. Limits Of Insurance – General Liability Coverages;** and

- b. Our duty to defend or settle ends when the applicable limit of insurance has been exhausted by payment of judgments or settlements under Paragraph **A.** Bodily Injury And Property Damage Liability or Paragraph **B.** Personal And Advertising Injury Liability or medical expenses under Paragraph **C.** Locations And Operations Medical Payments.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the "insured" with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material, if done by or at the direction of the "insured" with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the "insured".

e. Contractual

"Personal and advertising injury" for which the "insured" has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the "insured" would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Electronic Chat Rooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chat room or bulletin board the "insured" hosts, owns, or over which the "insured" exercises control.

k. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

l. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

m. Pollution-related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

n. War

"Personal and advertising injury" arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

o. Recording And Distribution Of Material Or Information In Violation Of Law

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair And Accurate Credit Transaction Act (FACTA); or

- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

p. Employment-related Practices

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraph (1)(a), (b) or (c) above are directed.

This exclusion applies:

- (a) Whether the injury-causing event described in Paragraph (1)(a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (b) Whether the "insured" may be liable as an employer or in any other capacity; and
- (c) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

q. Acts, Errors Or Omissions

"Personal and advertising injury" arising out of "acts, errors or omissions".

r. Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information. This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

C. Locations And Operations Medical Payments**1. Coverage**

- a. We will pay medical expenses as described below to or for each person who sustains "bodily injury" to which this coverage applies, caused by an "accident" and resulting from your "auto dealer operations".
- b. We will pay only those expenses incurred for services rendered within one year from the date of the "accident".
- c. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
 - (1) First aid administered at the time of an "accident";
 - (2) Necessary medical, surgical, diagnostic imaging and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

This insurance does not apply to "bodily injury":

a. Workers' Compensation

To a person, whether or not an "employee" of any "insured", if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

b. Insured

To any "insured".

c. Hired Person

To a person hired to do work for or on behalf of any "insured" or a tenant of any "insured".

d. Injury On Normally Occupied Premises

To a person injured on that part of the premises you own or rent that the person normally occupies.

e. Athletic Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Injury Away From Auto Dealer Locations

Sustained by a person away from locations owned, maintained or used for your "auto dealer operations".

g. Bodily Injury And Property Damage Liability

Excluded under Paragraph A. Bodily Injury And Property Damage Liability.

D. Who Is An Insured

The following are "insureds" for General Liability Coverages:

1. You.
2. Your partners and their spouses, if you are a partnership, but only with respect to the conduct of your "auto dealer operations".
3. Your members, if you are a limited liability company, but only with respect to the conduct of your "auto dealer operations". Your managers are also "insureds", but only with respect to their duties as your managers.
4. Your "executive officers" and directors, if you are an organization other than a partnership or limited liability company, but only with respect to their duties as your officers or directors. Your stockholders are also "insureds", but only with respect to their liability as stockholders.

5. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of employment by you or while performing duties related to the conduct of your "auto dealer operations". However, no "employee" is an "insured" for:

a. "Bodily injury" or "personal and advertising injury":

- (1) To you (if you are an individual), your partners (if you are a partnership), your members (if you are a limited liability company) or a fellow "employee" of the "insured" while in the course of his or her employment or while performing duties related to the conduct of your "auto dealer operations";
- (2) To the spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph (1) above;
- (3) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1) or (2) above; or
- (4) Arising out of his or her providing or failing to provide professional health care services.

b. "Property damage" to property:

- (1) Owned, occupied or used by;
- (2) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", any partner or member (if you are a partnership) or any member (if you are a limited liability company).

6. Any "auto" dealership that is acquired or formed by you, other than a partnership or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that "auto" dealership. However:

- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the "auto" dealership or the end of the policy period, whichever is earlier; and
- b. Coverage does not apply to:
 - (1) "Bodily injury" or "property damage" that occurred; or

(2) "Personal and advertising injury" arising out of an offense committed

before you acquired or formed the "auto" dealership.

No person or organization is an "insured" with respect to the conduct of any current or past partnership or limited liability company that is not shown as a Named Insured in the Declarations.

E. Supplementary Payments

With respect to coverage provided under Bodily Injury And Property Damage Liability and Personal And Advertising Injury Liability Coverages, we will pay for the "insured":

1. All expenses we incur.
2. The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
3. All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
4. All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
5. All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

F. Limits Of Insurance – General Liability Coverages

1. Regardless of the number of "insureds", claims made or "suits" brought or persons or organizations making claims or bringing "suits", the:

a. General Liability Aggregate Limit shown in the Declarations is the most we will pay for the sum of all:

- (1) Damages under Paragraph A. Bodily Injury And Property Damage Liability, except damages because of "bodily injury" and "property damage" that are both:
 - (a) Sustained away from locations owned, maintained or used for your "auto dealer operations"; and

(b) Arising out of your "products" or "work you performed";

(2) Damages under Paragraph **B. Personal And Advertising Injury Liability**; and

(3) Medical expenses under Paragraph **C. Locations And Operations Medical Payments**.

b. Products And Work You Performed Aggregate Limit is the most we will pay under Paragraph **A. Bodily Injury And Property Damage Liability** for "bodily injury" and "property damage" that are both:

(1) Sustained away from locations owned, maintained or used for your "auto dealer operations"; and

(2) Arising out of your "products" or "work you performed".

2. Subject to Paragraph **1.a.** above, the Personal And Advertising Injury Liability Limit is the most we will pay for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization under Paragraph **B. Personal And Advertising Injury Liability**.

3. Subject to Paragraph **1.a.** above, the Locations And Operations Medical Payments Limit is the most we will pay for all medical expenses because of "bodily injury" for each person injured in any one "accident" under Paragraph **C. Locations And Operations Medical Payments**.

4. Subject to Paragraph **1.a.** or **1.b.** above, whichever applies, the General Liability Bodily Injury And Property Damage Liability Each "Accident" Limit shown in the Declarations is the most we will pay for the sum of all damages under Paragraph **A. Bodily Injury And Property Damage Liability** resulting from any one "accident".

Damages payable under any applicable Limits of Insurance for General Liability Coverages are not payable under Section **I – Covered Autos Coverages** or Section **III – Acts, Errors Or Omissions Liability Coverage**.

5. Subject to Paragraph **4.** above, the Damage To Premises Rented To You Limit is the most we will pay under Paragraph **A. Bodily Injury And Property Damage Liability** for damages because of "property damage" to any one premises, while rented to you or, in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.

6. The Aggregate Limits of Insurance for General Liability Coverages apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Aggregate Limits of Insurance – General Liability Coverages.

7. We will deduct \$500 from the damages in any "accident" resulting from "property damage" to an "auto" as a result of "work you performed" on that "auto".

SECTION III – ACTS, ERRORS OR OMISSIONS LIABILITY COVERAGES

A. Coverage

We will pay all sums that an "insured" legally must pay as damages because of any "act, error or omission" of the "insured" to which this insurance applies and arising out of the conduct of your "auto dealer operations", but only if the "act, error or omission" is committed in the coverage territory during the policy period.

We will have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for "acts, error or omissions" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. But:

1. The amount we will pay for damages is limited as described in Paragraph **E. Limits Of Insurance And Deductible**; and
2. Our duty to defend or settle ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Paragraph **D. Supplementary Payments**.

B. Exclusions

This insurance does not apply to:

1. Criminal, Fraudulent, Malicious, Dishonest Or Intentional Acts

Damages arising out of any criminal, fraudulent, malicious, dishonest or intentional "act, error or omission" by an "insured", including the willful or reckless violation of any law or regulation. However, this exclusion does not apply to any "insured" who did not:

- a. Personally commit;

- b. Personally participate in;
- c. Personally acquiesce to; or
- d. Remain passive after having knowledge of; any such "act, error or omission".

2. Bodily Injury, Property Damage Or Personal And Advertising Injury

"Bodily injury", "property damage" or "personal and advertising injury".

3. Profit Gain

Damages based upon, attributable to or arising in fact out of the gaining of any profit, remuneration or advantage to which any "insured" was not entitled.

4. Contractual

Liability for which the "insured" has assumed in a contract or agreement. This exclusion does not apply to liability for damages that the "insured" would have in the absence of the contract or agreement.

5. Noncompensatory Damages

Criminal fines or penalties imposed by law or regulation, punitive or exemplary damages or demands for injunctive or equitable relief.

6. Quality Or Performance Of Goods – Failure To Conform To Statements

Damages arising out of the failure of goods, products or services to conform with any statement of quality or performance.

7. Recording And Distribution Of Material Or Information In Violation Of Law

Damages arising directly or indirectly out of any "act, error or omission" that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- c. The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- d. Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

8. Discrimination

Damages arising directly or indirectly out of any "act, error or omission" that violates a person's civil rights with respect to such person's race, color, national origin, religion, gender, marital status, age, sexual orientation or preference, physical or mental condition, or any other protected class or characteristic established by any federal, state or local statutes, rules or regulations.

9. Bankruptcy Or Insolvency

Damages arising out of the:

- a. Bankruptcy;
- b. Financial inability to pay;
- c. Insolvency;
- d. Liquidation; or
- e. Receivership;

of any insurance company, reinsurer or other risk-assuming entity in which the "insured" has placed or obtained insurance for a customer.

However, this exclusion does not apply if the insurance company, reinsurer or other risk-assuming entity was rated "B+" or higher by A. M. Best Company, Inc. at the time the insurance was placed or obtained.

10. Access Or Disclosure Of Confidential Or Personal Information

Damages arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information. This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

C. Who Is An Insured

The following are "insureds" for "acts, errors or omissions":

- 1. You.
- 2. Your partners and their spouses, if you are a partnership, but only with respect to the conduct of your "auto dealer operations".
- 3. Your members, if you are a limited liability company, but only with respect to the conduct of your "auto dealer operations". Your managers are also "insureds", but only with respect to their duties as your managers.

4. Your "executive officers" and directors, if you are an organization other than a partnership or limited liability company, but only with respect to their duties as your officers or directors. Your stockholders are also "insureds", but only with respect to their liability as stockholders.
5. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of employment by you or while performing duties related to the conduct of your "auto dealer operations".
6. Any "auto" dealership that is acquired or formed by you, other than a partnership or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that "auto" dealership. However:
 - a. Coverage under this provision is afforded only until the 90th day after you acquire or form the "auto" dealership or the end of the policy period, whichever is earlier; and
 - b. Coverage does not apply to "acts, errors or omissions" that were committed before you acquired or formed the "auto" dealership.

No person or organization is an "insured" with respect to the conduct of any current or past partnership or limited liability company that is not shown as a Named Insured in the Declarations.

D. Supplementary Payments

With respect to "Acts, Errors Or Omissions" Liability Coverage, we will pay for the "insured":

1. All expenses we incur.
2. The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
3. All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
4. All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".

5. All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

E. Limit Of Insurance And Deductible

1. Regardless of the number of:
 - a. "Insureds";
 - b. Claims made or "suits" brought;
 - c. Persons or organizations making claims or bringing "suits"; or
 - d. "Acts, errors or omissions",
 the "Acts, Errors Or Omissions" Liability Aggregate Limit shown in the Declarations is the most we will pay for all damages because of "acts, errors or omissions" under Section III.
2. Damages payable under the Limits of Insurance for "Acts, Errors Or Omissions" Liability Coverage are not payable under any applicable Limits of Insurance under Section I – Covered Autos Coverages or Section II – General Liability Coverages.
3. Our obligation to pay damages applies only to the amount of damages in excess of any deductible amount stated in the Declarations as applicable to this coverage. The Limits of Insurance for "Acts, Errors Or Omissions" Liability Coverage will not be reduced by the amount of this deductible.
 To settle a claim or "suit", we may pay all or any part of the deductible. If this happens, you must reimburse us for the deductible or that part of the deductible that we paid.
4. The "Acts, Errors Or Omissions" Liability Aggregate Limit applies separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the "Acts, Errors Or Omissions" Liability Aggregate Limit.

SECTION IV – CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

A. Loss Conditions**1. Appraisal For Physical Damage Loss**

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire.

The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

2. Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions

We have no duty to provide coverage under this Policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit", offense, "loss" or "act, error or omission", you must give us or our authorized representative prompt notice of the "accident", offense, "loss" or "act, error or omission". Include:
 - (1) How, when and where the "accident", offense, "loss" or "act, error or omission" occurred;
 - (2) What the "act, error or omission" was;
 - (3) The "insured's" name and address;
 - (4) To the extent possible, the names and addresses of:
 - (a) Any injured persons and witnesses; or
 - (b) Anyone who may suffer damages as a result of an "act, error or omission".
- b. Additionally, you and any other involved "insured" must:
 - (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.

- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
 - (4) Authorize us to obtain medical records or other pertinent information.
 - (5) Submit to examination at our expense, by physicians of our choice, as often as we reasonably require.
 - (6) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the "insured" because of an "act, error or omission" to which this insurance may also apply.
- c. If there is "loss" to a covered "auto" or its equipment, you must also do the following:
- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
 - (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
 - (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
 - (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

3. Legal Action Against Us

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under any liability coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this Policy to bring us into an action to determine the "insured's" liability.

4. Loss Payment – Physical Damage Coverages

At our option, we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

5. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

This condition does not apply to damages under Paragraph C. Locations And Operations Medical Payments Coverage of Section II – General Liability Coverages.

B. General Conditions**1. Bankruptcy**

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

2. Concealment, Misrepresentation Or Fraud

This Coverage Form is void in any case of fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceals or misrepresents a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

3. Liberalization

If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

4. No Benefit To Bailee – Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. Other Insurance

a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Covered Autos Liability Coverage this Coverage Form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own; or
- (2) Primary while it is connected to a covered "auto" you own.

b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract".

d. For General Liability and "Acts, Errors Or Omissions" Liability Coverages, this insurance is primary except when e. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in f. below.

e. This Coverage Form is excess over any other insurance, whether primary, excess, contingent or on any other basis:

- (1) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
- (2) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;

(3) If the "loss" arises out of the maintenance or use of aircraft or watercraft to the extent not subject to Exclusion g. of Paragraph A. Bodily Injury And Property Damage Liability of Section II – General Liability Coverages; or

(4) That is specifically written to apply as primary insurance for liability arising out of your "acts, errors or omissions".

f. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. Premium Audit

a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this Policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

b. If this Policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the Policy.

7. Policy Period, Coverage Territory

Under this Coverage Form, we cover:

a. "Bodily injury", "property damage" and "losses" occurring;

b. "Personal and advertising injury" offenses and "acts, errors or omissions" committed; and

c. "Covered pollution cost or expense" arising out of "accidents" occurring,

during the policy period shown in the Declarations and within the coverage territory.

The coverage territory is:

(1) The United States of America;

(2) The territories and possessions of the United States of America;

(3) Puerto Rico;

(4) Canada; and

(5) Anywhere else in the world if:

(a) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less;

(b) The "bodily injury", "property damage" or "personal and advertising injury" is caused by an "insured" who permanently lives within the United States of America, its territories or possessions, Puerto Rico or Canada while the "insured" is temporarily outside of one of those places;

(c) The "personal and advertising injury" offense takes place through the Internet or similar electronic means of communication; or

(d) The "bodily injury" or "property damage" is caused by one of your "products" which is sold for use in the United States of America, its territories or possessions, Puerto Rico or Canada,

provided that the "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada, or in a settlement we agree to.

However, the coverage territory described in Paragraph (5) above does not apply to "work you performed".

We also cover "bodily injury", "property damage", "covered pollution cost or expense" and "losses" while a covered "auto" is being transported between the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada.

8. Two Or More Coverage Forms Or Policies Issued By Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us applies to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

SECTION V – DEFINITIONS

- A.** "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".
- B.** "Act, error or omission" means any actual or alleged negligent act, error or omission committed by an "insured" in the course of your "auto dealer operations" arising:
1. Out of an "insured's" failure to comply with any local, state or federal law or regulation concerning the disclosure of credit or lease terms to consumers in connection with the sale or lease of an "auto" in your "auto dealer operations", including, but not limited to, the Truth In Lending and Consumer Leasing Acts;
 2. Out of an "insured's" failure to comply with any local, state or federal law or regulation concerning the disclosure of accurate odometer mileage to consumers in connection with the sale or lease of an "auto" in your "auto dealer operations";
 3. In an "insured's" capacity as an insurance agent or broker in the offering, placement or maintenance of any "auto" physical damage, auto loan/lease gap, credit life or credit disability insurance sold in connection with the sale or lease of an "auto" in your "auto dealer operations", but only if the "insured" holds a valid insurance agent or broker license at the time the "act, error or omission" is committed, in the jurisdiction in which your "auto dealer operations" is located, if required to do so by such jurisdiction; and
 4. Out of a defect in title in connection with the sale or lease of an "auto" in your "auto dealer operations".
- C.** "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
1. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 2. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
- D.** "Auto" means a land motor vehicle, "trailer" or semitrailer.
- E.** "Auto dealer operations" means the ownership, maintenance or use of locations for an "auto" dealership and that portion of the roads or other accesses that adjoin these locations. "Auto dealer operations" also include all operations necessary or incidental to an "auto" dealership.
- F.** "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these.
- G.** "Covered pollution cost or expense" means any cost or expense arising out of:
1. Any request, demand, order or statutory or regulatory requirement that the "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of, "pollutants".
- "Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
- a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";
 - (2) Otherwise in the course of transit by or on behalf of the "insured";
 - (3) Being stored, disposed of, treated or processed in or upon the covered "auto"; or
 - b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
 - c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if the "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants".

Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

- H.** "Customer's auto" means a land motor vehicle, "trailer" or semitrailer lawfully within your possession for service, repair, storage or safekeeping, with or without the vehicle owner's knowledge or consent. A "customer's auto" also includes any such vehicle left in your care by your "employees" and members of their households who pay for services performed.
- I.** "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".
- J.** "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- K.** "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
- L.** "Impaired property" means tangible property, other than your "product" or "work you performed", that cannot be used or is less useful because:
1. It incorporates your "product" or "work you performed" that is known or thought to be defective, deficient, inadequate or dangerous; or
 2. You have failed to fulfill the terms of a contract or agreement;
- if such property can be restored to use by the repair, replacement, adjustment or removal of your "product" or "work you performed" or your fulfilling the terms of the contract or agreement.

M. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.

N. "Insured contract" means:

1. A lease of premises;
2. A sidetrack agreement;
3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
5. That part of any other contract or agreement pertaining to your "auto" dealership (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
6. An elevator maintenance agreement; or
7. That part of any contract or agreement entered into, as part of your "auto" dealership, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a.** That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (1) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawing and specifications; or
 - (2) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage.
- b.** That indemnifies any person or organization for damage by fire to premises rented or loaned to you or temporarily occupied by you with permission of the owner.

- c. That pertains to the loan, lease or rental of an "auto", to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver.
 - d. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.
 - e. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing.
- O.** "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- P.** "Loading or unloading" means the handling of property:
- 1. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - 2. While it is in or on an aircraft, watercraft or "auto"; or
 - 3. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;
- but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".
- Q.** "Loss" means direct and accidental loss or damage. But for Garagekeepers Coverage only, "loss" also includes any resulting loss of use.
- R.** "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
- 1. False arrest, detention or imprisonment;
 - 2. Malicious prosecution;
 - 3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - 4. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - 5. Oral or written publication, in any manner, of material that violates a person's right of privacy;
 - 6. The use of another's advertising idea in your "advertisement"; or
 - 7. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
- S.** "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- T.** "Products" includes:
- 1. The goods or products made or sold in an "auto" dealership by:
 - a. You; or
 - b. An "auto" dealership you have acquired; and
 - 2. The providing of or failure to provide warnings or instructions.
- U.** "Property damage" means damage to or loss of use of tangible property.
- V.** "Suit" means a civil proceeding in which:
- 1. Damages because of "bodily injury", "property damage", "personal and advertising injury" or "acts, errors or omissions"; or
 - 2. A "covered pollution cost or expense", to which this insurance applies, are claimed.
- "Suit" includes:
- a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" submits with our consent.
- W.** "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- X.** "Trailer" includes semitrailer.

Y. "Unmanned aircraft" means an aircraft that is not:

1. Designed;
2. Manufactured; or
3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

Z. "Work you performed" includes:

1. Work that someone performed on your behalf; and
2. The providing of or failure to provide warnings or instructions.

COMMERCIAL AUTO
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**UNMANNED AIRCRAFT EXCLUSION FOR GENERAL
LIABILITY COVERAGES**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

Section II – General Liability Coverages is changed as follows:**A. Exclusion 2.g. Aircraft, Auto Or Watercraft** under Paragraph **A. Bodily Injury And Property Damage Liability** is replaced by the following:**2. Exclusions**

This insurance does not apply to any of the following:

g. Aircraft, Auto Or Watercraft**(1) Unmanned Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **g.(1)** applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "accident" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".**(2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any "insured". Use includes operation and "loading or unloading".

This Paragraph **g.(2)** applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "accident" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any "insured".This Paragraph **g.(2)** does not apply to:

- (a)**
- A watercraft while ashore on premises where you conduct "auto dealer operations";

- (b) A watercraft you do not own that is:
 - (i) Less than 26 feet long; and
 - (ii) Not being used to carry persons or property for a charge; or
- (c) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft.

B. The following exclusion is added to Paragraph 2. Exclusions of Coverage B – Personal And Advertising Injury Liability:

This insurance does not apply to:

Unmanned Aircraft

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a. The use of another's advertising idea in your "advertisement"; or
- b. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

COMMERCIAL AUTO
CA 02 70 01 18**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS CHANGES –
CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A. The **Cancellation** Common Policy Condition is replaced by the following:**

Cancellation

1. The first Named Insured shown in the Declarations may cancel this Policy by mailing us advance written notice of cancellation.
2. When this Policy is in effect 61 days or more or is a renewal or continuation policy, we may cancel only for one or more of the following reasons by mailing you written notice of cancellation, stating the reasons for cancellation.
 - a. Nonpayment of premium.
 - b. The Policy was obtained through a material misrepresentation.
 - c. Any "insured" has violated any of the terms and conditions of the Policy.
 - d. The risk originally accepted has measurably increased.
 - e. Certification to the Director of Insurance of the loss of reinsurance by the insurer which provided coverage to us for all or a substantial part of the underlying risk insured.
 - f. A determination by the Director of Insurance that the continuation of the Policy could place us in violation of the Illinois insurance laws.
3. If we cancel for nonpayment of premium, we will mail you at least 10 days' written notice.
4. If this Policy is cancelled for other than nonpayment of premium and the Policy is in effect:
 - a. 60 days or less, we will mail you at least 30 days' written notice.

- b. 61 days or more, we will mail you at least 60 days' written notice.

5. If this Policy is cancelled, we will send you any premium refund due. If we cancel, the refund will be pro rata. If you cancel, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
 6. The effective date of cancellation stated in the notice shall become the end of the policy period.
 7. Our notice of cancellation will state the reason for cancellation.
 8. We will mail our cancellation notice to you at your last address known to us. Proof of mailing will be sufficient proof of notice.
 9. Notification of cancellation will also be sent to your broker, if known, or agent of record, if known, and to the loss payee listed on the Policy.
- B. The following is added and supersedes any provision to the contrary:**

Nonrenewal

If we decide not to renew or continue this Policy, we will mail you written notice, stating the reason for nonrenewal, at least 60 days before the end of the policy period. Proof of mailing will be sufficient proof of notice. Notification will also be sent to your broker, if known, or agent of record, if known, and to the loss payee listed on the Policy. If we offer to renew or continue and you do not accept, this Policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this Policy will end on the effective date of that insurance.

FILED DATE: 10/25/2024 4:42 PM 2024CH09759

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS EMPLOYMENT PRACTICES LIABILITY AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

EMPLOYMENT PRACTICES LIABILITY ENDORSEMENT

A. The term spouse is replaced by the following:

Spouse or party to a civil union recognized under Illinois Law.

B. The following is added to Paragraph B. Defense of Claims, Administrative Hearings & Settlement Authority under Section I – Coverage: Employment Practices Liability:

If we initially defend an insured or pay for an insured's defense but later determine that the claim(s) is (are) not covered under this insurance, we will have the right to reimbursement for the defense costs we have incurred.

The right to reimbursement for the defense costs under this provision will only apply to defense costs we have incurred after we notify you in writing that there may not be coverage, and that we are reserving our rights to terminate the defense and seek reimbursement for defense costs.

C. Paragraph C. under Section III – Limits of Insurance is replaced by the following:

C. In addition to the payments for "damages" and "defense expense" in paragraphs **A.** and **B.** above, we will also pay all interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the amount available for the judgment under the provisions of paragraphs **A.** and **B.** above. Any interest paid will not reduce the Each Related Wrongful Employment Practices Limit or the Total Aggregate Limit.

D. Paragraph K. under Section VI – Conditions does not apply.

E. Paragraph D. under Section VIII – Definitions is replaced by the following:

D. "Damages" means monetary amounts to which this insurance applies and which the insured is legally obligated to pay as judgments or awards, or as settlements to which we have agreed in writing. "Damages" include (i) to the extent allowed by law, any portion of a judgment or award that represents a multiple of the compensatory amounts or punitive or exemplary damages, and (ii) statutory attorney fees.

"Damages" do not include:

1. Civil, criminal, administrative or other fines or penalties;
2. Equitable relief, injunctive relief, declarative relief or any other relief or recovery other than monetary amounts; or
3. Judgments or awards because of acts deemed uninsurable by law.

All other terms and conditions of this Coverage Form remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – AUTO DEALERS COVERAGE FORM

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, Illinois, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Covered Autos Liability Coverage

1. Paragraphs **2.b.(3)** and **2.b.(4)** of the **Who Is An Insured** provision do not apply.
2. The **Limit Of Insurance – Covered Autos Liability** provision applies except that we will apply the Covered Autos Liability Coverage limit shown in the Declarations to first provide the separate limits required by the Illinois Safety Responsibility Law as follows:
 - a. \$25,000 for "bodily injury" to any one person caused by any one "accident";
 - b. \$50,000 for "bodily injury" to two or more persons caused by any one "accident"; and
 - c. \$20,000 for "property damage" caused by any one "accident".

This provision will not change our total Limit of Insurance for Covered Autos Liability Coverage.

B. Changes In Physical Damage Coverage

Paragraph **4.c.** of the **Limits Of Insurance** provision is replaced by the following:

- c. We may deduct for betterment if:
 - (1) The deductions reflect a measurable decrease in market value attributable to the poorer condition of, or prior damage to, the vehicle.
 - (2) The deductions are for prior wear and tear, missing parts and rust damage that are reflective of the general overall condition of the vehicle considering its age. In this event, deductions may not exceed \$500.

C. Changes In Conditions

The following is added to the **Other Insurance** Condition:

1. Covered Autos Liability Coverage provided by this Coverage Form for any "auto" you do not own is primary if:
 - a. The "auto" is owned or held for sale or lease by a new or used vehicle dealership;
 - b. The "auto" is operated by an "insured" with the permission of the dealership described in Paragraph **1.a.** while your "auto" is being repaired or evaluated; and
 - c. The Limit of Insurance for Covered Autos Liability Coverage under this Policy is at least:
 - (1) \$100,000 for "bodily injury" to any one person caused by any one "accident";
 - (2) \$300,000 for "bodily injury" to two or more persons caused by any one "accident"; and
 - (3) \$50,000 for "property damage" caused by any one "accident".
2. If you are a new or used vehicle dealership, Covered Autos Liability Coverage provided by this Coverage Form for any "auto" you own or hold for sale or lease, which is operated by an "insured" with your permission while such "insured's" auto is being repaired or evaluated, is excess over any other collectible insurance if such "insured" has liability insurance providing limits of at least:
 - a. \$100,000 for "bodily injury" to any one person caused by any one "accident";
 - b. \$300,000 for "bodily injury" to two or more persons caused by any one "accident"; and
 - c. \$50,000 for "property damage" caused by any one "accident".

POLICY NUMBER: B010120

COMMERCIAL AUTO
CA 21 30 01 15**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS UNINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, Illinois, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the Policy effective on the inception date of the Policy unless another date is indicated below.

Named Insured: Siglers Automotive and Body Shop, Inc

Endorsement Effective Date: 12-01-2022

SCHEDULE

Limit Of Insurance: \$1,000,000

Each "Accident"

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. Any judgment for damages arising out of a "suit" brought without our written consent is not binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".

- b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
- c. Anyone else "occupying" an "auto" you do not own who is an "insured" for Covered Autos Liability under the Coverage Form, but only at times when that person is an "insured" for Covered Autos Liability under the Coverage Form.
- d. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
 - a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

- b. Anyone else "occupying" an "auto" you do not own who is an "insured" for Covered Autos Liability under the Coverage Form, but only at times when that person is an "insured" for Covered Autos Liability under the Coverage Form.
- c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to any of the following:

1. Any claim settled without our consent.
2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
3. "Bodily injury" sustained by:
 - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form;
 - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form; or
 - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Uninsured Motorists Coverage on a primary basis under any other Coverage Form or policy.
4. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
5. Punitive or exemplary damages.
6. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the Limit Of Insurance for Uninsured Motorists Coverage shown in the Schedule or Declarations.

We will apply the limit shown in the Declarations to first provide the separate limits required by the Illinois Safety Responsibility Law as follows:

- a. \$25,000 for "bodily injury" to any one person caused by any one "accident"; and
- b. \$50,000 for "bodily injury" to two or more persons caused by any one "accident".

This provision will not change our total limit of liability.

2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage form, Medical Payments Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

We will not make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law.

E. Changes In Conditions

The **Conditions** are changed for Uninsured Motorists Coverage as follows:

1. **Other Insurance** in the Auto Dealers and Business Auto Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all Coverage Forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any Coverage Form or policy providing coverage on either a primary or excess basis.

b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible uninsured motorists insurance providing coverage on a primary basis.

c. If the coverage under this Coverage Form is provided:

(1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.

(2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

2. Duties In The Event Of Accident, Claim, Suit Or Loss in the Business Auto and Motor Carrier Coverage Forms and **Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions** in the Auto Dealers Coverage Form are changed by adding the following:

- a. Promptly notify the police if a hit-and-run driver is involved; and
- b. Promptly send us copies of the legal papers if a "suit" is brought.

3. Legal Action Against Us is replaced by the following:

Legal Action Against Us

- a. No one may bring a legal action against us under this Coverage Form until there has been full compliance with all the terms of this Coverage Form.
- b. Any legal action against us must be brought within two years after the date of the "accident". However, this Paragraph **3.b.** does not apply to an "insured" if, within two years after the date of the "accident", arbitration proceedings have commenced in accordance with the provisions of this Coverage Form.

4. Transfer Of Rights Of Recovery Against Others To Us does not apply.

5. The following conditions are added:

Reimbursement And Trust

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

Arbitration

a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to the amount of damages, then the disagreement will be arbitrated. If the "insured" requests, we and the "insured" will each select an arbitrator. The two arbitrators will select a third. If the arbitrators are not selected within 45 days of the "insured's" request, either party may request that arbitration be submitted to the American Arbitration Association. We will bear all the expenses of the arbitration except when the "insured's" recovery exceeds the minimum limit specified in the Illinois Safety Responsibility Law.

If this occurs, the "insured" will be responsible for payment of his or her expenses and an equal share of the expenses of the third arbitrator up to the amount by which the "insured's" recovery exceeds the statutory minimum.

b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives.

c. If arbitration is submitted to the American Arbitration Association, then the American Arbitration Association rules shall apply to all matters except medical opinions. As to medical opinions, if the amount of damages being sought:

- (1) Is equal to or less than the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then the American Arbitration Association rules shall apply.
- (2) Exceeds the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then rules of evidence that apply in the circuit court for placing medical opinions into evidence shall apply.

In all other arbitration proceedings, local rules of law as to arbitration procedure and evidence will apply.

- d. If the arbitration involves three arbitrators, a decision agreed to by two of the arbitrators will be binding for the amount of damages not exceeding the lesser of either:

- (1) \$75,000 for "bodily injury" to any one person/\$150,000 for "bodily injury" to two or more persons caused by any one "accident"; or

- (2) The Limit Of Uninsured Motorists Insurance shown in the Schedule or Declarations.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption, who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
 - a. For which no liability bond or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged;

- b. For which an insuring or bonding company denies coverage or is or becomes insolvent; or

- c. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must hit, or cause an object to hit, an "insured", a covered "auto" or a vehicle an "insured" is "occupying". If there is no physical contact with the hit-and-run vehicle, the facts of the "accident" must be proved.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- b. Owned by a governmental unit or agency; or
- c. Designed for use mainly off public roads while not on public roads.

POLICY NUMBER: B010120

COMMERCIAL AUTO
CA 21 38 10 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS UNDERINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, Illinois, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: Siglers Automotive and Body Shop, Inc

Endorsement Effective Date: 12-01-2022

SCHEDULE

Limit Of Insurance: \$ 1,000,000

Each "Accident"

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "underinsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "underinsured motor vehicle".
2. We will pay only after all liability bonds or policies have been exhausted by payment of judgments or settlements, unless:
 - a. We have been given prompt written notice of a "tentative settlement" and decide to advance payment to the "insured" in an amount equal to that "tentative settlement" within 30 days after receipt of notification; or

- b. We and an "insured" have reached a "settlement agreement".

3. Any judgment for damages arising out of a "suit" brought without written notice to us is not binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".
 - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

- c. Anyone else "occupying" an "auto" you do not own who is an "insured" for Covered Autos Liability Coverage under the Coverage Form, but only at times when that person is an "insured" for Covered Autos Liability Coverage under the Coverage Form.
 - d. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
- a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - b. Anyone else "occupying" an "auto" you do not own who is an "insured" for Covered Autos Liability Coverage under the Coverage Form, but only at times when that person is an "insured" for Covered Autos Liability Coverage under the Coverage Form.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to any of the following:

- 1. The direct or indirect benefit of any insurer under any workers' compensation, disability benefits or similar law.
- 2. "Bodily injury" sustained by:
 - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Underinsured Motorists Coverage under this Coverage Form;
 - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Underinsured Motorists Coverage under this Coverage Form; or
 - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Underinsured Motorists Coverage on a primary basis under any other Coverage Form or policy.

- 3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
- 4. Punitive or exemplary damages.
- 5. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

- 1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the Limit Of Insurance for Underinsured Motorists Coverage shown in this endorsement.
- 2. Except in the event of a "settlement agreement", the Limit of Insurance for this coverage shall be reduced by all sums paid or payable:
 - a. By or for anyone who is legally responsible, including all sums paid under this Coverage Form's Covered Autos Liability Coverage.
 - b. Under any workers' compensation, disability benefits or similar law. However, the Limit of Insurance for this coverage shall not be reduced by any sums paid or payable under Social Security disability benefits.
 - c. Under any automobile medical payments coverage.
- 3. In the event of a "settlement agreement", the maximum Limit of Insurance for this coverage shall be the amount by which the Limit of Insurance for this coverage exceeds the limits of bodily injury liability bonds or policies applicable to the owner or operator of the "underinsured motor vehicle".
- 4. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage form.

E. Changes In Conditions

The Conditions are changed for Underinsured Motorists Coverage as follows:

1. Other Insurance in the Auto Dealers and Business Auto Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any Coverage Form or policy providing coverage on either a primary or excess basis.
- b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible underinsured motorists insurance providing coverage on a primary basis.
- c. If the coverage under this Coverage Form is provided:
 - (1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
 - (2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

2. Duties In The Event Of Accident, Claim, Suit Or Loss in the Business Auto and Motor Carrier Coverage Forms and **Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions** in the Auto Dealers Coverage Form are changed by adding the following:

- a. Give us written notice of a "tentative settlement" and allow us to advance payment in an amount equal to that settlement within 30 days after receipt of notification to preserve our rights against the owner or operator of the "underinsured motor vehicle".

- b. File "suit" against the owner or operator of the "underinsured motor vehicle" prior to the conclusion of a "settlement agreement". Such "suit" cannot be abandoned or settled without giving us written notice of a "tentative settlement" and allowing us 30 days to advance payment in an amount equal to that settlement to preserve our rights against the owner or operator of the "underinsured motor vehicle".

- c. Promptly send us copies of the legal papers if a "suit" is brought.

3. Legal Action Against Us is replaced by the following:

Legal Action Against Us

- a. No one may bring a legal action against us under this Coverage Form until there has been full compliance with all the terms of this Coverage Form.
- b. Any legal action against us under this Coverage Form must be brought within two years after the date of the "accident". However, this Paragraph **3.b.** does not apply if, within two years after the date of the "accident":
 - (1) Arbitration proceedings have commenced in accordance with the provisions of this Coverage Form; or
 - (2) The "insured" has filed an action for "bodily injury" against the owner or operator of an "underinsured motor vehicle", and such action is:
 - (a) Filed in a court of competent jurisdiction; and
 - (b) Not barred by the applicable state statute of limitations.

In the event that the two-year time limitation identified in this condition does not apply, the applicable state statute of limitations will govern legal action against us under this Coverage Form.

4. The following is added to Transfer Of Rights Of Recovery Against Others To Us:

Transfer Of Rights Of Recovery Against Others To Us does not apply to damages caused by an "accident" with an "underinsured motor vehicle" if we:

- a. Have been given written notice of a "tentative settlement" between an "insured" and the insurer of an "underinsured motor vehicle"; and

- b. Fail to advance payment to the "insured" in an amount equal to the "tentative settlement" within 30 days after receipt of the notice.

If we advance payment to the "insured" in an amount equal to the "tentative settlement" within 30 days after receipt of notice:

- a. That payment will be separate from any amount the "insured" is entitled to recover under the provisions of Underinsured Motorists Coverage; and
- b. We will also have a right to recover the advanced payment.

However, in the event of a "settlement agreement", we shall be entitled to recover only for amounts which exceed the limit of bodily injury liability bonds or policies applicable to the owner or operator of the "underinsured motor vehicle".

5. The following conditions are added:

Reimbursement And Trust

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

However, in the event of a "settlement agreement", we shall be entitled to recover only for amounts which exceed the limit of bodily injury liability bonds or policies applicable to the owner or operator of the "underinsured motor vehicle".

Arbitration

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "underinsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured", then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. Either party may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.

- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption, who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Settlement agreement" means we and an "insured" agree that the "insured" is legally entitled to recover, from the owner or operator of the "underinsured motor vehicle", damages for "bodily injury" and, without arbitration, agree also as to the amount of damages. Such agreement is final and binding regardless of any subsequent judgment or settlement reached by the "insured" with the owner or operator of the "underinsured motor vehicle".
4. "Tentative settlement" means an offer from the owner or operator of the "underinsured motor vehicle" to compensate an "insured" for damages incurred because of "bodily injury" sustained in an accident involving an "underinsured motor vehicle".
5. "Underinsured motor vehicle" means a land motor vehicle or "trailer" for which the sum of all liability bonds or policies at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged, but that sum is either less than the Limit of Insurance of this coverage or reduced by payments to other persons resulting from the same "accident" to an amount less than the Limit of Insurance of this coverage. However, "underinsured motor vehicle" does not include any vehicle:
 - a. Owned or operated by any self-insurer under any applicable motor vehicle law.
 - b. Owned by a governmental unit or agency.
 - c. Designed for use mainly off public roads while not on public roads.
 - d. Which is an "uninsured motor vehicle".



West Bend Mutual Insurance Company
1900 S. 18th Ave. | West Bend, WI 53095

Endorsement

Commercial Liability Umbrella Coverage Declarations

Customer Number: 1000122645

Policy Number: B010120 05

Policy Period: 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076-4042

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

12778

Limits of Insurance

Aggregate Limit (Except with Respect to "Covered Autos")	\$2,000,000
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Personal and Advertising Injury Limit	\$2,000,000
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Each Occurrence	\$2,000,000
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Terrorism Risk Insurance Act	Included
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Umbrella Premium	\$2,081
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This is not a bill. A billing invoice will be sent separately.

See attached schedule for forms applicable to all coverage parts.

Countersignature _____

(Authorized Representative)

Date _____



Endorsement

Commercial Liability Umbrella Coverage Declarations**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

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630-468-5400

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Retained Limit

Self-Insured Retention

Waived

Schedule of Underlying Insurance**Auto Dealers Liability**

Insurer: West Bend Mutual Insurance Company

Policy Number: B010120

Policy Term: Refer to Underlying Policy

Limits of Insurance:

Personal And Advertising Injury \$1,000,000

Each Accident – Covered Autos Liability \$1,000,000

Each Accident – General Liability Bodily Injury And Property Damage Liability \$1,000,000

Products And work You Performed Aggregate \$3,000,000

General Liability Aggregate \$3,000,000



Endorsement

Commercial Liability Umbrella Coverage Declarations**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

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630-468-5400

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Miscellaneous and Endorsement Premium Schedule

Description	Form Number	Premium
Terrorism Risk Insurance Act	CU2130	No Charge
Total Miscellaneous and Endorsement Premium:		\$0



Endorsement

Commercial Liability Umbrella Coverage Declarations**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

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Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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Forms Schedule

Number	Edition	Description
CU0001	0413	COMMERCIAL LIABILITY UMBRELLA COVERAGE FORM
CU2123	0202	NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT
CU2130	0115	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
CU2150	0305	SILICA OR SILICA-RELATED DUST EXCLUSION
CU2171	0615	EXCLUSION – UNMANNED AIRCRAFT
CU2186	0514	EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY - WITH LIMITED BODILY INJURY EXCEPTION
CU2190	1116	PUBLIC OR LIVERY PASSENGER CONVEYANCE AND ON-DEMAND DELIVERY SERVICES EXCLUSION
CU2231	0918	AUTO DEALERS ENDORSEMENT
CU2416	0918	AUTO DEALERS BROAD FORM PRODUCTS COVERAGE
WB1210	0118	EXCLUSION - AUTO DEALERS ACTS, ERRORS OR OMISSIONS LIABILITY COVERAGES
WB1468CU	0414	EXCLUSION - ASBESTOS OR ASBESTOS PRODUCTS
WB1475	0708	CONTRACTUAL LIABILITY FOLLOWING FORM ENDORSEMENT
WB2312	0304	YEAR 2000 COMPUTER-RELATED AND OTHER ELECTRONIC PROBLEMS FOLLOWING FORM ENDORSEMENT
WB2709	0118	WHO IS AN INSURED LIMITATION
CU0200	0118	ILLINOIS CHANGES - CANCELLATION AND NONRENEWAL



West Bend Mutual Insurance Company
1900 S. 18th Ave. | West Bend, WI 53095

Endorsement

Commercial Liability Umbrella Coverage Declarations

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630-468-5400

12778

Forms Schedule

Number	Edition	Description
CU2255	0900	ILLINOIS CHANGES - POLLUTION EXCLUSION - HOSTILE FIRE EXCEPTION

COMMERCIAL LIABILITY UMBRELLA COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "retained limit" because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking damages for such "bodily injury" or "property damage" when the "underlying insurance" does not provide coverage or the limits of "underlying insurance" have been exhausted. When we have no duty to defend, we will have the right to defend, or to participate in the defense of, the insured against any other "suit" seeking damages to which this insurance may apply. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. At our discretion, we may investigate any "occurrence" that may involve this insurance and settle any resultant claim or "suit" for which we have the duty to defend. But:

- (1) The amount we will pay for the "ultimate net loss" is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "bodily injury" or "property damage" that is subject to an applicable "retained limit". If any other limit, such as a sublimit, is specified in the "underlying insurance", this insurance does not apply to "bodily injury" or "property damage" arising out of that exposure unless that limit is specified in the Declarations under the Schedule of "underlying insurance".
- c. This insurance applies to "bodily injury" and "property damage" only if:
 - (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
 - (2) The "bodily injury" or "property damage" occurs during the policy period; and
 - (3) Prior to the policy period, no insured listed under Paragraph 1.a. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
- d. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1.a. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

e. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1.a. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

f. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

(b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage" involved that which is described in Paragraph (1), (2) or (3) above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

This exclusion does not apply to the extent that valid "underlying insurance" for the liquor liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" and "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the liquor liability risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. ERISA

Any obligation of the insured under the Employee Retirement Income Security Act of 1974 (ERISA), and any amendments thereto or any similar federal, state or local statute.

f. Auto Coverages

- (1) "Bodily injury" or "property damage" arising out of the ownership, maintenance or use of any "auto" which is not a "covered auto"; or
- (2) Any loss, cost or expense payable under or resulting from any first-party physical damage coverage; no-fault law; personal injury protection or auto medical payments coverage; or uninsured or underinsured motorist law.

g. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

With respect to injury arising out of a "covered auto", this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits. For the purposes of this insurance, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

This exclusion does not apply to the extent that valid "underlying insurance" for the employer's liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the employer's liability risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

h. Employment-related Practices

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraph (a), (b), or (c) above is directed.

This exclusion applies whether the injury-causing event described in Paragraph (a), (b) or (c) above occurs before employment, during employment or after employment of that person.

This exclusion applies whether the insured may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

i. Pollution

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time; or
- (2) "Pollution cost or expense".

This exclusion does not apply if valid "underlying insurance" for the pollution liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" and "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the pollution risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

j. Aircraft Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 50 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (4) The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described above will follow the same provisions, exclusions and limitations that are contained in the "underlying insurance", unless otherwise directed by this insurance; or

(5) Aircraft that is:

- (a) Chartered by, loaned to, or hired by you with a paid crew; and
- (b) Not owned by any insured.

k. Racing Activities

"Bodily injury" or "property damage" arising out of the use of "mobile equipment" or "autos" in, or while in practice for, or while being prepared for, any prearranged professional or organized racing, speed, demolition, or stunting activity or contest.

l. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

m. Damage To Property

"Property damage" to:

- (1) Property:
 - (a) You own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property; or
 - (b) Owned or transported by the insured and arising out of the ownership, maintenance or use of a "covered auto".
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (1)(b), (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraphs (3) and (4) of this exclusion do not apply to liability assumed under a written Trailer Interchange agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

n. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

o. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

p. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

q. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or

- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

r. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

s. Professional Services

"Bodily injury" or "property damage" due to rendering of or failure to render any professional service. This includes but is not limited to:

- (1) Legal, accounting or advertising services;
- (2) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings or specifications;
- (3) Inspection, supervision, quality control, architectural or engineering activities done by or for you on a project on which you serve as construction manager;
- (4) Engineering services, including related supervisory or inspection services;
- (5) Medical, surgical, dental, X-ray or nursing services treatment, advice or instruction;
- (6) Any health or therapeutic service treatment, advice or instruction;
- (7) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement, or personal grooming or therapy;
- (8) Any service, treatment, advice or instruction relating to physical fitness, including service, treatment, advice or instruction in connection with diet, cardiovascular fitness, bodybuilding or physical training programs;
- (9) Optometry or optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;
- (10) Body piercing services;
- (11) Services in the practice of pharmacy;
- (12) Law enforcement or firefighting services; and
- (13) Handling, embalming, disposal, burial, cremation or disinterment of dead bodies.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", involved the rendering of or failure to render any professional service.

t. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access or inability to manipulate electronic data.

However, this exclusion does not apply to liability for damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

This exclusion does not apply if valid "underlying insurance" for the electronic data risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" and "property damage". The insurance provided under this Coverage Part will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

u. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "retained limit" because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking damages for such "personal and advertising injury" when the "underlying insurance" does not provide coverage or the limits of "underlying insurance" have been exhausted. When we have no duty to defend, we will have the right to defend, or to participate in the defense of, the insured against any other "suit" seeking damages to which this insurance may apply. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. At our discretion, we may investigate any offense that may involve this insurance and settle any resultant claim or "suit" for which we have the duty to defend. But:

- (1) The amount we will pay for the "ultimate net loss" is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "personal and advertising injury" that is subject to an applicable "retained limit". If any other limit, such as a sublimit, is specified in the "underlying insurance", this insurance does not apply to "personal and advertising injury" arising out of that exposure unless that limit is specified in the Declarations under the Schedule of "underlying insurance".
- c. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. "Personal and advertising injury":

(1) Knowing Violation Of Rights Of Another

Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

(2) Material Published With Knowledge Of Falsity

Arising out of oral or written publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.

(3) Material Published Prior To Policy Period

Arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.

(4) Criminal Acts

Arising out of a criminal act committed by or at the direction of the insured.

(5) Contractual Liability

For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to:

- (a)** Liability for damages that the insured would have in the absence of the contract or agreement.
- (b)** Liability for false arrest, detention or imprisonment assumed in a contract or agreement.

(6) Breach Of Contract

Arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

(7) Quality Or Performance Of Goods – Failure To Conform To Statements

Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

(8) Wrong Description Of Prices

Arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

(9) Infringement Of Copyright, Patent, Trademark Or Trade Secret

Arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

(10) Insureds In Media And Internet Type Businesses

Committed by an insured whose business is:

- (a)** Advertising, broadcasting, publishing or telecasting;
- (b)** Designing or determining content of web sites for others; or
- (c)** An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14.a.**, **b.** and **c.** of "personal and advertising injury" under the Definitions section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

(11) Electronic Chatrooms Or Bulletin Boards

Arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

(12) Unauthorized Use Of Another's Name Or Product

Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

(13) Pollution

Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

(14) Employment-related Practices

To:

- (a) A person arising out of any:
 - (i) Refusal to employ that person;
 - (ii) Termination of that person's employment; or
 - (iii) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (b) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraph (i), (ii) or (iii) above is directed.

This exclusion applies whether the injury-causing event described in Paragraph (i), (ii) or (iii) above occurs before employment, during employment or after employment of that person.

This exclusion applies whether the insured may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

(15) Professional Services

Arising out of the rendering of or failure to render any professional service. This includes but is not limited to:

- (a) Legal, accounting or advertising services;
- (b) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings or specifications;
- (c) Inspection, supervision, quality control, architectural or engineering activities done by or for you on a project on which you serve as construction manager;
- (d) Engineering services, including related supervisory or inspection services;
- (e) Medical, surgical, dental, X-ray or nursing services treatment, advice or instruction;

- (f) Any health or therapeutic service treatment, advice or instruction;
- (g) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement, or personal grooming or therapy;
- (h) Any service, treatment, advice or instruction relating to physical fitness, including service, treatment, advice or instruction in connection with diet, cardiovascular fitness, bodybuilding or physical training programs;
- (i) Optometry or optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;
- (j) Body piercing services;
- (k) Services in the practice of pharmacy;
- (l) Law enforcement or firefighting services; and
- (m) Handling, embalming, disposal, burial, cremation or disinterment of dead bodies.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury", involved the rendering of or failure to render any professional service.

(16) War

However caused, arising, directly or indirectly, out of:

- (a) War, including undeclared or civil war;
- (b) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (c) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

(17) Recording And Distribution Of Material Or Information In Violation Of Law

Arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (a) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (b) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (c) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (d) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

b. "Pollution cost or expense".

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend, when the duty to defend exists:
 - a. All expenses we incur.
 - b. Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "occurrence" we cover. We do not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
 - e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. When we have the right but not the duty to defend the insured and elect to participate in the defense, we will pay our own expenses but will not contribute to the expenses of the insured or the "underlying insurer".
3. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - b. This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
 - d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
 - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
 - f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and

- (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
- (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and
 - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I – Coverage A – Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II – WHO IS AN INSURED

1. Except for liability arising out of the ownership, maintenance or use of "covered autos":
 - a. If you are designated in the Declarations as:
 - (1) An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - (2) A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 - (3) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
 - (4) An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

- (5) A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

b. Each of the following is also an insured:

- (1) Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:
 - (a) "Bodily injury" or "personal and advertising injury":
 - (i) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" in the course of his or her employment or performing duties related to the conduct of your business or to your other "volunteer workers" while performing duties related to the conduct of your business;
 - (ii) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (a)(i) above; or
 - (iii) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (a)(i) or (ii) above.
 - (b) "Property damage" to property:
 - (i) Owned, occupied or used by;
 - (ii) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
- (2) Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

- (3) Any person or organization having proper temporary custody of your property if you die, but only:
 - (a) With respect to liability arising out of the maintenance or use of that property; and
 - (b) Until your legal representative has been appointed.
- (4) Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
- c. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - (1) Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - (2) Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - (3) Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.
- 2. Only with respect to liability arising out of the ownership, maintenance or use of "covered autos":
 - a. You are an insured.
 - b. Anyone else while using with your permission a "covered auto" you own, hire or borrow is also an insured except:
 - (1) The owner or anyone else from whom you hire or borrow a "covered auto". This exception does not apply if the "covered auto" is a trailer or semitrailer connected to a "covered auto" you own.
 - (2) Your "employee" if the "covered auto" is owned by that "employee" or a member of his or her household.
 - (3) Someone using a "covered auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from a "covered auto".
 - (5) A partner (if you are a partnership), or a member (if you are a limited liability company) for a "covered auto" owned by him or her or a member of his or her household.
 - (6) "Employees" with respect to "bodily injury" to:
 - (a) Any fellow "employee" of the insured arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
 - (b) The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph (a) above.
- c. Anyone liable for the conduct of an insured described above is also an insured, but only to the extent of that liability.
- 3. Any additional insured under any policy of "underlying insurance" will automatically be an insured under this insurance.

Subject to Section III – Limits Of Insurance, if coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

 - a. Required by the contract or agreement, less any amounts payable by any "underlying insurance"; or
 - b. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

Additional insured coverage provided by this insurance will not be broader than coverage provided by the "underlying insurance".

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made, "suits" brought, or number of vehicles involved; or
 - c. Persons or organizations making claims or bringing "suits".
2. The Aggregate Limit is the most we will pay for the sum of all "ultimate net loss" under:
 - a. Coverage **A**, except "ultimate net loss" because of "bodily injury" or "property damage" arising out of the ownership, maintenance or use of a "covered auto"; and
 - b. Coverage **B**.
3. Subject to Paragraph 2. above, the Each Occurrence Limit is the most we will pay for the sum of all "ultimate net loss" under Coverage **A** because of all "bodily injury" and "property damage" arising out of any one "occurrence".
4. Subject to Paragraph 2. above, the Personal And Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all "ultimate net loss" because of all "personal and advertising injury" sustained by any one person or organization.
5. If there is "underlying insurance" with a policy period that is nonconcurrent with the policy period of this Commercial Liability Umbrella Coverage Part, the "retained limit(s)" will only be reduced or exhausted by payments for:
 - a. "Bodily injury" or "property damage" which occurs during the policy period of this Coverage Part; or
 - b. "Personal and advertising injury" for offenses that are committed during the policy period of this Coverage Part.

However, if any "underlying insurance" is written on a claims-made basis, the "retained limit(s)" will only be reduced or exhausted by claims for that insurance that are made during the policy period, or any Extended Reporting Period, of this Coverage Part.

The Aggregate Limit, as described in Paragraph 2. above, applies separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – CONDITIONS**1. Appeals**

If the "underlying insurer" or insured elects not to appeal a judgment in excess of the "retained limit", we may do so at our own expense. We will also pay for taxable court costs, pre- and postjudgment interest and disbursements associated with such appeal. In no event will this provision increase our liability beyond the applicable Limits of Insurance described in Section III – Limits Of Insurance.

2. Bankruptcy**a. Bankruptcy Of Insured**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

b. Bankruptcy Of Underlying Insurer

Bankruptcy or insolvency of the "underlying insurer" will not relieve us of our obligations under this Coverage Part.

However, this insurance will not replace the "underlying insurance" in the event of bankruptcy or insolvency of the "underlying insurer". This insurance will apply as if the "underlying insurance" were in full effect.

3. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense, regardless of the amount, which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

- b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

- c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

4. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

5. Other Insurance

- a. This insurance is excess over, and shall not contribute with any of the other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Part.

When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

- b. When this insurance is excess over other insurance, we will pay only our share of the "ultimate net loss" that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of the insurance provided under this Coverage Part; and

- (2) The total of all deductible and self-insured amounts under all that other insurance.

6. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

7. Representations Or Fraud

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us;
- c. We have issued this policy in reliance upon your representations; and
- d. This policy is void in any case of fraud by you as it relates to this policy or any claim under this policy.

8. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

9. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

10. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

11. Loss Payable

Liability under this Coverage Part does not apply to a given claim unless and until:

- a. The insured or insured's "underlying insurer" has become obligated to pay the "retained limit"; and
- b. The obligation of the insured to pay the "ultimate net loss" in excess of the "retained limit" has been determined by a final settlement or judgment or written agreement among the insured, claimant and us.

12. Transfer Of Defense

When the underlying limits of insurance have been used up in the payment of judgments or settlements, the duty to defend will be transferred to us. We will cooperate in the transfer of control to us of any outstanding claims or "suits" seeking damages to which this insurance applies which would have been covered by the "underlying insurance" had the applicable limit not been used up.

13. Maintenance Of/Changes To Underlying Insurance

Any "underlying insurance" must be maintained in full effect without reduction of coverage or limits except for the reduction of the aggregate limit in accordance with the provisions of such "underlying insurance" that results from payment of claims, settlement or judgments to which this insurance applies.

Such exhaustion or reduction is not a failure to maintain "underlying insurance". Failure to maintain "underlying insurance" will not invalidate insurance provided under this Coverage Part, but insurance provided under this Coverage Part will apply as if the "underlying insurance" were in full effect.

If there is an increase in the scope of coverage of any "underlying insurance" during the term of this policy, our liability will be no more than it would have been if there had been no such increase.

You must notify us in writing, as soon as practicable, if any "underlying insurance" is cancelled, not renewed, replaced or otherwise terminated, or if the limits or scope of coverage of any "underlying insurance" is changed.

14. Expanded Coverage Territory

- a. If a "suit" is brought in a part of the "coverage territory" that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada, and we are prevented by law, or otherwise, from defending the insured, the insured will initiate a defense of the "suit". We will reimburse the insured, under Supplementary Payments, for any reasonable and necessary expenses incurred for the defense of a "suit" seeking damages to which this insurance applies, that we would have paid had we been able to exercise our right and duty to defend.

If the insured becomes legally obligated to pay sums because of damages to which this insurance applies in a part of the "coverage territory" that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada, and we are prevented by law, or otherwise, from paying such sums on the insured's behalf, we will reimburse the insured for such sums.

- b. All payments or reimbursements we make for damages because of judgments or settlements will be made in U.S. currency at the prevailing exchange rate at the time the insured became legally obligated to pay such sums. All payments or reimbursements we make for expenses under Supplementary Payments will be made in U.S. currency at the prevailing exchange rate at the time the expenses were incurred.
- c. Any disputes between you and us as to whether there is coverage under this policy must be filed in the courts of the United States of America (including its territories and possessions), Canada or Puerto Rico.
- d. The insured must fully maintain any coverage required by law, regulation or other governmental authority during the policy period, except for reduction of the aggregate limits due to payments of claims, judgments or settlements.

Failure to maintain such coverage required by law, regulation or other governmental authority will not invalidate this insurance. However, this insurance will apply as if the required coverage by law, regulation or other governmental authority was in full effect.

SECTION V – DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
2. "Auto" means:
 - a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".
3. "Bodily injury" means bodily injury, disability, sickness or disease sustained by a person, including death resulting from any of these at any time. "Bodily injury" includes mental anguish or other mental injury resulting from "bodily injury".
4. "Coverage territory" means anywhere in the world with the exception of any country or jurisdiction which is subject to trade or other economic sanction or embargo by the United States of America.
5. "Covered auto" means only those "autos" to which "underlying insurance" applies.
6. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
7. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work", or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:
 - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".
 - g. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraphs **f.** and **g.** do not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2) That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or

(3) That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a "covered auto" over a route or territory that person or organization is authorized to serve by public authority.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment designed primarily for:

- (a) Snow removal;
- (b) Road maintenance, but not construction or resurfacing; or
- (c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your "advertisement"; or
- g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Pollution cost or expense" means any loss, cost or expense arising out of any:

- a. Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- b. Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

17. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured; or

(2) The existence of tools, uninstalled equipment or abandoned or unused materials.

18. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

With respect to the ownership, maintenance or use of "covered autos", property damage also includes "pollution cost or expense", but only to the extent that coverage exists under the "underlying insurance" or would have existed but for the exhaustion of the underlying limits.

For the purposes of this insurance, with respect to other than the ownership, maintenance or use of "covered autos", electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

19. "Retained limit" means the available limits of "underlying insurance" scheduled in the Declarations or the "self-insured retention", whichever applies.

20. "Self-insured retention" means the dollar amount listed in the Declarations that will be paid by the insured before this insurance becomes applicable only with respect to "occurrences" or offenses not covered by the "underlying insurance". The "self-insured retention" does not apply to "occurrences" or offenses which would have been covered by "underlying insurance" but for the exhaustion of applicable limits.

21. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent or the "underlying insurer's" consent.
22. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
23. "Ultimate net loss" means the total sum, after reduction for recoveries or salvages collectible, that the insured becomes legally obligated to pay as damages by reason of settlement or judgments or any arbitration or other alternate dispute method entered into with our consent or the "underlying insurer's" consent.
24. "Underlying insurance" means any policies of insurance listed in the Declarations under the Schedule of "underlying insurance".
25. "Underlying insurer" means any insurer who provides any policy of insurance listed in the Schedule of "underlying insurance".
26. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
27. "Your product":
- a. Means:
- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
 - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- b. Includes:
- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions.
- c. Does not include vending machines or other property rented to or located for the use of others but not sold.
28. "Your work":
- a. Means:
- (1) Work or operations performed by you or on your behalf; and
 - (2) Materials, parts or equipment furnished in connection with such work or operations.
- b. Includes:
- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
 - (2) The providing of or failure to provide warnings or instructions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**NUCLEAR ENERGY LIABILITY EXCLUSION
ENDORSEMENT**
(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

I. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

(1) With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

(1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an insured or (b) has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an insured; or

(3) The "bodily injury" or "property damage" arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

II. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "Special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a) Any "nuclear reactor";
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";
- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

- A.** If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.
- "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
 2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- B.** The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SILICA OR SILICA-RELATED DUST EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

- A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

2. Exclusions

This insurance does not apply to:

SILICA OR SILICA-RELATED DUST

- a. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
- b. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- c. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

- B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

SILICA OR SILICA-RELATED DUST

- a. "Personal and advertising injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- b. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

- C. The following definitions are added to the Definitions Section:**

1. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
2. "Silica-related dust" means a mixture or combination of silica and other dust or particles.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – UNMANNED AIRCRAFT

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

- A. Exclusion 2.j. Aircraft Or Watercraft** under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

j. Aircraft Or Watercraft

(1) Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **j.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

(2) Aircraft (Other Than Unmanned Aircraft) Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **j.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **j.(2)** does not apply to:

- (a)** A watercraft while ashore on premises you own or rent;
- (b)** A watercraft you do not own that is:
 - (i)** Less than 50 feet long; and
 - (ii)** Not being used to carry persons or property for a charge;
- (c)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (d)** The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described in this Paragraph **j.(2)** exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described in this Paragraph **j.(2)** will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance; or

(e) Aircraft that is:

- (i) Chartered by, loaned to, or hired by you with a paid crew; and
- (ii) Not owned by any insured.

B. The following exclusion is added to Paragraph 2. **Exclusions of Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Unmanned Aircraft

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a. The use of another's advertising idea in your "advertisement"; or
- b. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

C. The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

- 1. Designed;
- 2. Manufactured; or
- 3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY – WITH LIMITED BODILY INJURY EXCEPTION

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

- A. Exclusion 2.t. of Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

- t. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability**

Damages arising out of:

- (1)** Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2)** The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph **(1)** or **(2)** above.

However, unless Paragraph **(1)** above applies, this exclusion does not apply to damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

- B. The following is added to Paragraph 2. Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PUBLIC OR LIVERY PASSENGER CONVEYANCE AND ON-DEMAND DELIVERY SERVICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

A. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

This insurance does not apply to:

**Public Or Livery Passenger Conveyance
And On-demand Services**

Any "covered auto" while being used:

- a. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a "covered auto" is being used by an insured who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the "covered auto"; or
- b. By an insured who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the "covered auto".

B. If Excess Uninsured and/or Underinsured Motorists Coverage is attached, then the following exclusion is added to Paragraph C.2.:

2. Additionally, this insurance does not apply to:

**Public Or Livery Passenger Conveyance
And On-demand Services**

Any "covered auto" while being used:

- a. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a "covered auto" is being used by an insured who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the "covered auto"; or

- b. By an insured who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the "covered auto".

C. Additional Definitions

As used in this endorsement:

1. "Delivery network platform" means an online-enabled application or digital network used to connect customers:
 - a. With drivers; or
 - b. With local vendors using drivers; for the purpose of providing prearranged "delivery services" for compensation. A "delivery network platform" does not include a "transportation network platform".
2. "Delivery services" includes courier services.
3. "Occupying" means in, upon, getting in, on, out or off.
4. "Transportation network platform" means an online-enabled application or digital network used to connect passengers with drivers using vehicles for the purpose of providing prearranged transportation services for compensation.

POLICY NUMBER: B010120

COMMERCIAL LIABILITY UMBRELLA
CU 22 31 09 18**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****AUTO DEALERS ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

SCHEDULE

Liability Coverage For Customers	
<input type="checkbox"/>	If an "X" is entered in this box, Paragraph B.2.b.(4) of Section I – Bodily Injury And Property Damage Liability of this endorsement does not apply.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

With respect to "underlying insurance" that is an Auto Dealers Coverage Form, the provisions of the Coverage Form are modified as follows:

Section I – Bodily Injury And Property Damage Liability**A. Exclusions**

Paragraph **2. Exclusions of Coverage A – Bodily Injury And Property Damage Liability** is revised as follows:

- Paragraph **o. Damage To Your Work** is replaced with the following:

o. Damage To Your Work

"Property damage" to "your work" if the "property damage" results from any part of the work itself or from the parts, materials or equipment used in connection with the work.

- The following exclusion is added:

Leased Autos

Any "covered auto" while leased or rented to others. But this exclusion does not apply to a "covered auto" you rent to one of your customers while his or her "auto" is left with you for service or repair.

B. Who Is An Insured

Paragraph **2. of Section II – Who Is An Insured** is replaced by the following:

- Only with respect to liability arising out of the ownership, maintenance or use of "covered autos":
 - You are an insured.

- Anyone else while using with your permission a "covered auto" you own, hire or borrow is also an insured except:

- The owner or anyone else from whom you hire or borrow a "covered auto". This exception does not apply if the "covered auto" is a trailer or semitrailer connected to a "covered auto" you own.
- Your "employee" if the "covered auto" is owned by that "employee" or a member of his or her household.
- Someone using a "covered auto" while he or she is working in a business of selling, servicing or repairing "autos" unless that business is yours.
- Your customers.
- A partner (if you are a partnership), or a member (if you are a limited liability company) for a "covered auto" owned by him or her or a member of his or her household.
- "Employees" with respect to "bodily injury" to:
 - Any fellow "employee" of the insured arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
 - The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph (a) above.

- c. Anyone liable for the conduct of an insured described above is also an insured, but only to the extent of that liability.
- d. Your "employee" while using a "covered auto" you do not own, hire or borrow in your business or your personal affairs.

Section II – Garagekeepers Coverage

Garagekeepers coverage is provided to the extent that valid "underlying insurance" for Garagekeepers coverage exists or would have existed but for the exhaustion of underlying limits for Garagekeepers coverage. The insurance provided under this Coverage Part will follow the same provisions, exclusions, and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance. To the extent such provisions differ or conflict, the provisions of this Coverage Part will apply. However, the coverage provided by this Coverage Part will not be broader than that provided by the applicable "underlying insurance".

Section III – Definitions

A. The following definitions are revised:

1. Paragraphs **f.** and **g.** of the "insured contract" definition are replaced by the following:

- f.** That part of any contract or agreement entered into, as part of your "auto" dealership, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay "property damage" to any "auto" rented or leased by you or any of your "employees".
- g.** That part of any other contract or agreement pertaining to your "auto" dealership (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

2. The "property damage" definition is replaced by the following:

"Property damage" means:

- a.** Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

- b.** Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

With respect to the ownership, maintenance or use of "covered autos", "property damage" also includes "pollution cost or expense", but only to the extent that coverage exists under the "underlying insurance" or would have existed but for the exhaustion of the underlying limits.

3. The "your product" definition is replaced by the following:

"Your product" includes:

- a.** The goods or products made or sold in an "auto" dealership by:

- (1) You; or
- (2) An "auto" dealership you have acquired; and

- b.** The providing of or failure to provide warnings or instructions.

4. The "your work" definition is replaced by the following:

"Your work" includes:

- a.** Work that someone performed on your behalf; and
- b.** The providing of or failure to provide warnings or instructions.

5. The "products-completed operations hazard" definition does not apply.

B. The following definition is added:

"Auto dealer operations" means the ownership, maintenance or use of locations for an "auto" dealership and that portion of the roads or other accesses that adjoin these locations. "Auto dealer operations" also include all operations necessary or incidental to an "auto" dealership.

COMMERCIAL LIABILITY UMBRELLA
CU 24 16 09 18

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO DEALERS BROAD FORM PRODUCTS COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

With respect to "underlying insurance" that is an Auto Dealers Coverage Form, Paragraph 2. **Exclusions of Coverage A – Bodily Injury And Property Damage Liability** is revised as follows:

Exclusion n. **Damage To Your Product** does not apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION – AUTO DEALERS ACTS, ERRORS OR
OMISSIONS LIABILITY COVERAGES**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

The Commercial Liability Umbrella Coverage Form does not apply to nor extend any coverage provided under Section III – Acts, Errors Or Omissions Liability Coverage of the Auto Dealers Coverage Form CA 00 25.

FILED DATE: 10/25/2024 4:42 PM 2024CH09759

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ASBESTOS OR ASBESTOS PRODUCTS

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

This insurance does not apply to:

“Bodily injury” or “property damage” arising out of the removal, manufacture, distribution, sale, installation, handling or disposal of asbestos or any product containing asbestos material.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**CONTRACTUAL LIABILITY
FOLLOWING FORM ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

Except to the extent coverage is available to you or the insured in the "underlying insurance," this insurance does not apply to any liability assumed under any written or oral contract or agreement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**YEAR 2000 COMPUTER-RELATED
AND OTHER ELECTRONIC PROBLEMS
FOLLOWING FORM ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

Except to the extent coverage is available to you or the insured in the "underlying insurance," this insurance does not apply to "bodily injury," "property damage" or "personal and advertising injury" arising directly or indirectly out of:

1. Any actual or alleged failure, malfunction or inadequacy of:

a. Any of the following, whether belonging to any insured or to others:

- (1)** Computer hardware, including microprocessors;
- (2)** Computer application software;
- (3)** Computer operating systems and related software;
- (4)** Computer networks;

(5) Microprocessors (computer chips) not part of any computer system; or

(6) Any other computerized or electronic equipment or components; or

b. Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **1.a.** of this endorsement

due to the inability to correctly recognize, process, distinguish, interpret or accept the year 2000 and beyond.

2. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **1.** of this endorsement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WHO IS AN INSURED LIMITATION

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

- A.** If Endorsement **CU 21 71, CU 21 72, CU 21 74, CU 21 81, CU 24 50** or **CU 24 51** is attached to the Policy, the following exclusion is added to Paragraph **2. Exclusions** under **Section I – Coverage A – Bodily Injury And Property Damage Liability**:

This insurance does not apply to:

Employees And Volunteer Workers

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft operated by any "employee" or "volunteer worker" in the course of his or her employment by the insured or while performing duties related to the conduct of the insured's business. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft that is operated by any "employee" or "volunteer worker".

This exclusion does not apply to:

- 1.** A watercraft while ashore on premises you own or rent;
- 2.** A watercraft you do not own that is:
 - a.** Less than 50 feet long; and
 - b.** Not being used to carry persons or property for a charge;
- 3.** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;

- 4.** The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance; or

- 5.** Aircraft that is:

- a.** Chartered by, loaned to, or hired by you with a paid crew; and
- b.** Not owned by any insured.

- B.** If Paragraph **A.** does not apply, Exclusion **2.j. Aircraft Or Watercraft** under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

This insurance does not apply to:

j. Aircraft Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft or watercraft:

- (1)** Owned or operated by or rented or loaned to any insured; or
- (2)** Operated by any "employee" or "volunteer worker" in the course of his or her employment by the insured or while performing duties related to the conduct of the insured's business.

Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft or watercraft that is owned or operated by or rented or loaned to any insured or operated by any "employee" or "volunteer worker". This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 50 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;

- (4) The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance; or

- (5) Aircraft that is:

- (a) Chartered by, loaned to, or hired by you with a paid crew; and
- (b) Not owned by any insured.

C. Paragraph 1.b. of Section II – Who Is An Insured does not apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

- A. The **Cancellation** Common Policy Condition is replaced by the following:**

Cancellation

1. The first Named Insured shown in the Declarations may cancel this Policy by mailing to us advance written notice of cancellation.
2. We may cancel this Policy by mailing to you written notice stating the reason for cancellation. If we cancel:
 - a. For nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.
 - b. For a reason other than nonpayment of premium, we will mail the notice at least:
 - (1) 30 days prior to the effective date of cancellation if the Policy has been in effect for 60 days or less.
 - (2) 60 days prior to the effective date of cancellation if the Policy has been in effect for more than 60 days.
3. If this Policy has been in effect for more than 60 days or is a renewal or continuation policy, we may cancel only for one or more of the following reasons:
 - a. Nonpayment of premium;
 - b. The Policy was obtained through a material misrepresentation;
 - c. Any insured has violated any of the terms and conditions of the Policy;
 - d. The risk originally accepted has measurably increased;
 - e. Certification to the Director of Insurance of the loss of reinsurance by the insurer that provided coverage to us for all or a substantial part of the underlying risk insured; or

- f. A determination by the Director of Insurance that the continuation of the Policy could place us in violation of the insurance laws of this State.

4. We will mail our notice to you, at your last mailing address known to us. Proof of mailing will be sufficient proof of notice.
5. Notification of cancellation will also be sent to your broker, if known, or agent of record, if known.
6. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
7. If this Policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be less than pro rata. The cancellation will be effective even if we have not offered a refund.

- B. Condition 10. When We Do Not Renew is replaced by the following:**

10. When We Do Not Renew

- a. If we decide not to renew or continue this Policy, we will mail you written notice, stating the reason for nonrenewal, at least:
 - (1) 60 days before the end of the policy period for all policies other than that described in a.(2); or
 - (2) 30 days before the end of the policy period for all commercial excess and umbrella liability policies as defined in 215 ILL. COMP. STAT. 143.13.(h). The nonrenewal shall not become effective until at least 30 days from the proof of mailing date of the notice to you.

- b. Proof of mailing will be sufficient proof of notice.
- c. Notification of nonrenewal will also be sent to your broker, if known, or agent of record, if known.
- d. If we offer to renew or continue and you do not accept, this Policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.
- e. If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this Policy will end on the effective date of that insurance.

- (2) whose aggregate annual premiums for all property and casualty insurance on all risks is at least \$50,000.

For the purposes of Paragraph **a.(2)**, commercial excess and umbrella liability policies are defined in 215 ILL. COMP. STAT. 143.13.(h) as follows:

- (h) "Commercial excess and umbrella liability policy" means a policy written over one or more underlying policies for an insured:
 - (1) that has at least 25 full-time employees at the time the commercial excess and umbrella liability policy is written and procures the insurance of any risk or risks, other than life, accident and health, and annuity contracts, as described in clauses (a) and (b) of Class 1 of Section 4 and clause (a) of Class 2 of Section 4, by use of the services of a full-time employee acting as an insurance manager or buyer; or

COMMERCIAL LIABILITY UMBRELLA
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – POLLUTION EXCLUSION – HOSTILE FIRE EXCEPTION

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

The following is added to Exclusion i. under Paragraph 2., **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

Paragraph (1) of this exclusion does not apply to "bodily injury" or "property damage" arising out of heat, smoke or fumes from a hostile fire unless that hostile fire occurred or originated:

- (a) At any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste; or

- (b) At any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of, "pollutants".

Hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.

POLICY



Endorsement

Policy Change Summary Declarations**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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Changes have been made to the above policy at your request or at the request of your agent.

Below is a summary of the changes to the Coverage(s) that are impacted. All other terms, conditions, exclusions and provisions of the policy remain the same.

To view a complete copy of your policy, visit us at <http://insured.thesilverlining.com> or on the West Bend mobile app.

To request a complete copy of your policy, please email CustomerService@wbmi.com.

Effective Date of Change: 03/10/2023
Coverage Part and Description of Change

Coverage Part**Commercial Auto Coverage**

Added:

WB100

Summary

The above changes result in the following Total Net Premium Change
(Including Taxes, Fees, and Surcharges)

Net Additional Premium:

\$0.00

This is not a bill.

Any premium changes will be reflected on your next scheduled invoice.



Endorsement

Commercial Lines Policy Declaration**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.

This policy consists of the following coverage parts for which a premium is indicated. This premium may be subject to adjustment.

Coverage Part	Premium
Commercial Property Coverage	\$8,178.00
Commercial Auto Coverage	\$17,081.00
Commercial Liability Umbrella Coverage	\$2,081.00
Total Premium:	\$27,340.00
Total Including Taxes, Fees and Surcharges:	\$27,340.00

This is not a bill. A billing invoice will be sent separately.

See attached schedule for forms applicable to all coverage parts.



West Bend Mutual Insurance Company
1900 S. 18th Ave. | West Bend, WI 53095

Endorsement

Commercial Lines Policy Declaration

Customer Number: 1000122645

Policy Number: B010120 05

Policy Period: 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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Named Insured Schedule

Siglers Automotive and Body Shop, Inc

Specialty Vehicle Sales, Inc

3215 W Birchwood Ave, LLC



Endorsement

Commercial Lines Policy Declarations**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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Location Schedule

Loc	Address	City	County	State	Zip
1	7445 Channel Rd	Skokie	Cook	IL	60076
2	7501 Channel Rd/3215 Birchwood	Skokie	Cook	IL	60076



Endorsement

Commercial Lines Policy Declarations**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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Forms Schedule

Number	Edition	Description
IL0952Z	0115	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
IL0985	1220	DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT
WB214	0119	MEMBERSHIP AND VOTING NOTICE
IL0935Z	0702	EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES
IL0017Z	1198	COMMON POLICY CONDITIONS
IL0118	0217	ILLINOIS CHANGES
IL0162	1013	ILLINOIS CHANGES - DEFENSE COSTS
IL0284	0118	ILLINOIS CHANGES - CANCELLATION AND NONRENEWAL
IL0021	0908	NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (BROAD FORM)
IL0147	0911	ILLINOIS CHANGES - CIVIL UNION

IL 09 52 Z 01 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 EQUIPMENT BREAKDOWN COVERAGE PART
 FARM COVERAGE PART
 STANDARD PROPERTY POLICY

A. Cap On Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

B. Application Of Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

West Bend Mutual Insurance Company
 West Bend, Wisconsin 53095

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IL 09 85 12 20

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

SCHEDULE – PART I

Additional information, if any, concerning the terrorism premium:

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part II of the Schedule of this endorsement or in the policy Declarations) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

C. Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

MEMBERSHIP AND VOTING NOTICE

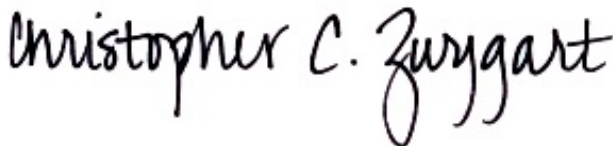
MUTUALS – MEMBERSHIP AND VOTING NOTICE

The named insured is notified that by virtue of this policy, the named insured is a member of the West Bend Mutual Insurance Company of West Bend, Wisconsin and is entitled to vote either in person or by proxy at any and all meetings of said Company. The Annual Meetings are held in its Home Office, on the second Tuesday of March commencing in 2007 and each year thereafter, at 10:00 a.m.

MUTUALS – PARTICIPATION CLAUSE WITH CONTINGENT LIABILITY

No Contingent Liability: This policy is nonassessable. The policyholder is a member of the company and shall participate, to the extent and upon the conditions fixed and determined by the Board of Directors in accordance with the provisions of law, in the distribution of dividends so fixed and determined.

In Witness Whereof, we have caused this policy to be executed and attested.



Christopher C. Zwygart
Secretary



Kevin A. Steiner
President and Chief Executive Officer

West Bend Mutual Insurance Company
1900 S. 18th Avenue
West Bend, WI 53095
800-236-5010

IL 09 35 Z 07 02

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
 CRIME AND FIDELITY COVERAGE PART
 STANDARD PROPERTY POLICY

- A.** We will not pay for loss ("loss") or damage caused directly or indirectly by the following. Such loss ("loss") or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss ("loss") or damage.
- 1.** The failure, malfunction or inadequacy of:
 - a.** Any of the following, whether belonging to any insured or to others:
 - (1)** Computer hardware, including micro-processors;
 - (2)** Computer application software;
 - (3)** Computer operating systems and related software;
 - (4)** Computer networks;
 - (5)** Microprocessors (computer chips) not part of any computer system; or
 - (6)** Any other computerized or electronic equipment or components; or
 - b.** Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **A.1.a.** of this endorsement;

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.
 - 2.** Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **A.1.** of this endorsement.
- B.** If an excluded Cause of Loss as described in Paragraph **A.** of this endorsement results:
- 1.** In a Covered Cause of Loss under the Crime and Fidelity Coverage Part or the Standard Property Policy; or
 - 2.** Under the Commercial Property Coverage Part:
 - a.** In a "Specified Cause of Loss", or in elevator collision resulting from mechanical breakdown, under the Causes of Loss – Special Form; or
 - b.** In a Covered Cause of Loss under the Causes Of Loss – Basic Form or the Causes Of Loss – Broad Form;

we will pay only for the loss ("loss") or damage caused by such "Specified Cause of Loss", elevator collision, or Covered Cause of Loss.
- C.** We will not pay for repair, replacement or modification of any items in Paragraphs **A.1.a.** and **A.1.b.** of this endorsement to correct any deficiencies or change any features.

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy (except Businessowners and Inland Marine) are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and
- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

West Bend Mutual Insurance Company
West Bend, Wisconsin 53095

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IL 01 18 02 17

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**ILLINOIS CHANGES**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 FARM COVERAGE PART
 STANDARD PROPERTY POLICY

A. When this endorsement is attached to Standard Property Policy **CP 00 99**, the terms Coverage Part and Coverage Form in this endorsement are replaced by the term Policy.

B. The following is added to the **Legal Action Against Us** Condition:

The two year period for legal action against us is extended by the number of days between the date the proof of loss is filed with us and the date we deny the claim in whole or in part.

C. If this policy covers:

1. The following in **a.** and **b.**, then Paragraphs **2.** and **3.** apply:

- a.** Real property used principally for residential purposes up to and including a four family dwelling; or
- b.** Household or personal property that is usual or incidental to the occupancy of any premises used for residential purposes.

2. The second paragraph of the **Appraisal** Condition is deleted and replaced by the following:

- a.** Each party will pay its own appraiser and bear the other expenses of the appraisal and umpire equally, except as provided in **b.** below.
- b.** We will pay your appraiser's fee and the umpire's appraisal fee, if the following conditions exist:
 - (1)** You demanded the appraisal; and
 - (2)** The full amount of loss, as set by your appraiser, is agreed to by our appraiser or by the umpire.

3. The **Concealment, Misrepresentation Or Fraud** Condition is replaced by the following:

Concealment, Misrepresentation Or Fraud

a. This Coverage Part or Coverage Form is void if you or any insured ("insured") commit fraud or conceal or misrepresent a fact in the process leading to the issuance of this insurance, and such fraud, concealment or misrepresentation is stated in the policy or endorsement or in the written application for this policy and:

- (1)** Was made with actual intent to deceive; or
- (2)** Materially affected either our decision to provide this insurance or the hazard we assumed.

However, this condition will not serve as a reason to void this Coverage Part or Coverage Form after the Coverage Part or Coverage Form has been in effect for one year or one policy term, whichever is less.

b. We do not provide coverage under this Coverage Part or Coverage Form to you or any other insured ("insured") who, at any time subsequent to the issuance of this insurance, commit fraud or intentionally conceal or misrepresent a material fact relating to:

- (1)** This Coverage Part or Coverage Form;
- (2)** The Covered Property;
- (3)** Your interest in the Covered Property; or
- (4)** A claim under this Coverage Part or Coverage Form.

c. Notwithstanding the limitations stated in **3.a.** above, we may cancel the Coverage Part or Coverage Form in accordance with the terms of the Cancellation Condition.

D. For the Commercial Property Coverage Part and the Standard Property Policy, the following exclusion and related provisions are added to Paragraph B.2. Exclusions in the Causes of Loss Forms and to any Coverage Form or policy to which a Causes of Loss Form is not attached:

1. We will not pay for loss or damage arising out of any act an insured commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no insured is entitled to coverage, even insureds who did not commit or conspire to commit the act causing the loss.

2. However, this exclusion will not apply to deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if:

- a. The loss arose out of a pattern of criminal domestic violence; and
- b. The perpetrator of the loss is criminally prosecuted for the act causing the loss.

3. If we pay a claim pursuant to Paragraph D.2., our payment to the insured is limited to that insured's insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

E. The **Intentional Loss Exclusion** in the Causes of Loss Form – Farm Property, Mobile Agricultural Machinery And Equipment Coverage Form and Livestock Coverage Form is replaced by the following:

1. We will not pay for loss ("loss") or damage arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss ("loss").

In the event of such loss ("loss"), no "insured" is entitled to coverage, even "insureds" who did not commit or conspire to commit the act causing the loss ("loss").

2. However, this exclusion will not apply to deny payment to an innocent co-"insured" who did not cooperate in or contribute to the creation of the loss ("loss") if:

- a. The loss ("loss") arose out of a pattern of criminal domestic violence; and
- b. The perpetrator of the loss ("loss") is criminally prosecuted for the act causing the loss.

3. If we pay a claim pursuant to Paragraph E.2., our payment to the "insured" is limited to that "insured's" insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

F. The **Intentional Loss Exclusion** in the Capital Assets Program (Output Policy) Coverage Part, is replaced by the following:

1. We will not pay for loss or damage arising out of any act an insured commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no insured is entitled to coverage, even insureds who did not commit or conspire to commit the act causing the loss.

2. However, this exclusion will not apply to deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if:

- a. The loss arose out of a pattern of criminal domestic violence; and
- b. The perpetrator of the loss is criminally prosecuted for the act causing the loss.

3. If we pay a claim pursuant to Paragraph F.2., our payment to the insured is limited to that insured's insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

IL 01 62 10 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**ILLINOIS CHANGES – DEFENSE COSTS**

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
 COMMERCIAL GENERAL LIABILITY COVERAGE PART
 COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART – LEGAL LIABILITY COVERAGE FORM
 COMMERCIAL PROPERTY COVERAGE PART – MORTGAGEHOLDERS ERRORS AND OMISSIONS
 COVERAGE FORM
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
 FARM COVERAGE PART
 FARM UMBRELLA LIABILITY POLICY
 LIQUOR LIABILITY COVERAGE PART
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
 POLLUTION LIABILITY COVERAGE PART
 PRODUCT WITHDRAWAL COVERAGE PART
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
 RAILROAD PROTECTIVE LIABILITY COVERAGE PART
 UNDERGROUND STORAGE TANK COVERAGE PART

A. The provisions of Paragraph **B.** are added to all Insuring Agreements that set forth a duty to defend under:

1. Section **I** of the Commercial General Liability, Commercial Liability Umbrella, Employment-related Practices Liability, Farm, Liquor Liability, Owners And Contractors Protective Liability, Pollution Liability, Products/Completed Operations Liability, Product Withdrawal, Medical Professional Liability, Railroad Protective Liability, Underground Storage Tank Coverage Parts, Auto Dealers Coverage Form and the Farm Umbrella Liability Policy;
2. Section **II** under the Auto Dealers, Business Auto and Motor Carrier Coverage Forms;
3. Section **III** under the Auto Dealers and Motor Carrier Coverage Forms;
4. Section **A.** Coverage under the Legal Liability Coverage Form; and

5. Coverage **C** – Mortgageholder's Liability under the Mortgageholders Errors And Omissions Coverage Form.

Paragraph **B.** also applies to any other provision in the policy that sets forth a duty to defend.

B. If we initially defend an insured ("insured") or pay for an insured's ("insured's") defense but later determine that the claim(s) is (are) not covered under this insurance, we will have the right to reimbursement for the defense costs we have incurred.

The right to reimbursement for the defense costs under this provision will only apply to defense costs we have incurred after we notify you in writing that there may not be coverage, and that we are reserving our rights to terminate the defense and seek reimbursement for defense costs.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
FARM COVERAGE PART

- A.** The **Cancellation** Common Policy Condition is replaced by the following:

Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing to us advance written notice of cancellation.
2. If this policy has been in effect for 60 days or less, except as provided in Paragraphs **8.** and **9.** below, we may cancel this policy by mailing written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. If this policy has been in effect for more than 60 days, except as provided in Paragraphs **8.** and **9.** below, we may cancel this policy only for one or more of the following reasons:
 - a. Nonpayment of premium;
 - b. The policy was obtained through a material misrepresentation;
 - c. You have violated any of the terms and conditions of the policy;
 - d. The risk originally accepted has measurably increased;
 - e. Certification to the Director of Insurance of the loss of reinsurance by the insurer which provided coverage to us for all or a substantial part of the underlying risk insured; or

- f. A determination by the Director that the continuation of the policy could place us in violation of the insurance laws of this State.

If we cancel this policy based on one or more of the above reasons except for nonpayment of premium, we will mail written notice at least 60 days before the effective date of cancellation. When cancellation is for nonpayment of premium, we will mail written notice at least 10 days before the effective date of cancellation.

4. We will mail our notice to you, together with our reason for cancellation, at your last mailing address known to us. Proof of mailing will be sufficient proof of notice.
5. Notification of cancellation will also be sent to your broker, if known, or agent of record, if known, and to the mortgagee or lienholder listed on the policy.
6. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
7. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

8. Real Property Other Than Residential Properties Occupied By Four Families Or Less

The following applies only if this policy covers real property other than residential property occupied by four families or less:

If any one or more of the following conditions exists at any building that is Covered Property in this policy, we may cancel this policy by mailing to you written notice of cancellation, by both certified and regular mail, if:

- a. After a fire loss, permanent repairs to the building have not started within 60 days of satisfactory adjustment of loss, unless the delay is due to a labor dispute or weather conditions.
- b. The building has been unoccupied 60 or more consecutive days. This does not apply to:
 - (1) Seasonal unoccupancy; or
 - (2) Buildings under repair, construction or reconstruction, if properly secured against unauthorized entry.
- c. The building has:
 - (1) An outstanding order to vacate;
 - (2) An outstanding demolition order; or
 - (3) Been declared unsafe in accordance with the law.
- d. Heat, water, sewer service or public lighting have not been connected to the building for 30 consecutive days or more.

The policy will terminate 10 days following receipt of the written notice by the named insured(s).

9. Residential Properties Occupied By Four Families Or Less

The following applies if this policy covers residential properties occupied by four families or less:

If this policy has been in effect for 60 days, or if this is a renewal policy, we may only cancel this policy for one or more of the following reasons:

- a. Nonpayment of premium;
- b. The policy was obtained by misrepresentation or fraud; or
- c. Any act that measurably increases the risk originally accepted.

If we cancel this policy based on one or more of the above reasons except for nonpayment of premium, we will mail written notice at least 30 days before the effective date of cancellation. When cancellation is for nonpayment of premium, we will mail written notice at least 10 days before the effective date of cancellation.

10. For insurance provided under the Commercial Property Coverage Part and the Capital Assets Program (Output Policy) Coverage Part, the following applies:

Grain In Public Grain Warehouses

(Not applicable to grain owned by the Commodity Credit Corporation)

The following applies only with respect to grain in public grain warehouses:

The first Named Insured or we may cancel this policy at any time by mailing to:

- a. The other; and
 - b. The Director of the Illinois Department of Agriculture (at its Springfield Office);
- 60 days' written notice of cancellation.

- B. The following is added:

Nonrenewal

1. If we decide not to renew or continue this policy, we will mail you written notice, stating the reason for nonrenewal. Proof of mailing will be sufficient proof of notice.
2. Except as provided in Paragraph 6. below, we will mail you notice of nonrenewal at least 60 days before the end of the policy period.
3. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.
4. If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this policy will end on the effective date of that insurance.
5. The following provision applies to policies other than those described in Paragraph 6.:

Notification of nonrenewal will also be sent to your broker, if known, or agent of record, if known, and the mortgagee or lienholder listed on the policy.

6. The following provision applies only if this policy covers residential properties occupied by four families or less:

a. If this policy has been issued to you and in effect with us for five or more years, we may not fail to renew this policy unless:

(1) The policy was obtained by misrepresentation or fraud and we mail you notice of nonrenewal at least 30 days before the end of the policy period as provided in 1. above;

(2) The risk originally accepted has measurably increased and we mail you notice of nonrenewal at least 30 days before the end of the policy period as provided in 1. above; or

(3) You received 60 days' notice of our intent not to renew as provided in 1. above.

b. If this policy has been issued to you and in effect with us for less than five years, we may not fail to renew this policy unless you received 30 days' notice as provided in 1. above.

c. Notification of nonrenewal will also be sent to your broker, if known, or agent of record, if known, and to the last known mortgagee or lienholder.

d. The nonrenewal shall not become effective until at least 30 days from the proof of mailing date of the notice to you.

IL 00 21 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

- (1)** With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2)** Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

- (1)** The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;
- (2)** The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
- (3)** The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

(c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

IL 01 47 09 11

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – CIVIL UNION

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
FARM COVERAGE PART
FARM UMBRELLA LIABILITY POLICY
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

A. The term "spouse" is replaced by the following:

Spouse or party to a civil union recognized under Illinois law.

B. Under the Commercial Auto Coverage Part, the term "family member" is replaced by the following:

"Family member" means a person related to the:

- 1.** Individual Named Insured by blood, adoption, marriage or civil union recognized under Illinois law, who is a resident of such Named Insured's household, including a ward or foster child; or
- 2.** Individual named in the Schedule by blood, adoption, marriage or civil union recognized under Illinois law, who is a resident of the individual's household, including a ward or foster child, if the Drive Other Car Coverage – Broadened Coverage For Named Individual Endorsement is attached.

C. With respect to coverage for the ownership, maintenance, or use of "covered autos" provided under the Commercial Liability Umbrella Coverage Part, the term "family member" is replaced by the following:

"Family member" means a person related to you by blood, adoption, marriage or civil union recognized under Illinois law, who is a resident of your household, including a ward or foster child.



West Bend Mutual Insurance Company
1900 S. 18th Ave. | West Bend, WI 53095

Endorsement

Commercial Property Coverage Declarations

Customer Number: 1000122645

Policy Period: 12/01/2022 to 12/01/2023

Policy Number: B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

12778

Description of Location or Premises

Loc	Bldg	Building and Occupancy Description	Construction	Protection Class
1	1	Building #1 - Shop [0932] Automobile Repair or Service Shops - Auto glass replacement, battery replacement, brake adjustment, tire changing, tune ups (points, plugs and carburetor adjustment) oil changing, lubrications, speedometer adjustments and similar services.	Joisted Masonry	01
2	1	Building #1 - Shop/Storage/Office [0932] Automobile Repair or Service Shops - Auto glass replacement, battery replacement, brake adjustment, tire changing, tune ups (points, plugs and carburetor adjustment) oil changing, lubrications, speedometer adjustments and similar services.	Masonry Non-Combustible	01



Endorsement

Commercial Property Coverage Declarations**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076**Agency Name and Address:**ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
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Commercial Property Coverage Schedule

Loc	Bldg	Type	Limit of Insurance	Coinsurance	Cause Of Loss	Premium
1	1	Building	\$1,060,400	100%	Special	\$1,509
		Replacement Cost				
		Agreed Value				
		Agreed Value Expiration Date:				
		12/01/2023				
		Deductible - \$5,000				
Loc	Bldg	Type	Limit of Insurance	Coinsurance	Cause Of Loss	Premium
1	1	Business Personal Property	\$92,000	100%	Special	\$333
		Replacement Cost				
		Agreed Value				
		Agreed Value Expiration Date:				
		12/01/2023				
		Deductible - \$5,000				
Loc	Bldg	Type	Limit of Insurance	Coinsurance	Cause Of Loss	Premium
1	1	Business Income Including Rental Value & Extra Expense - Not to Exceed 12 Consecutive Months	Actual Loss Sustained	Waived	Special	\$293
		Time Period - no waiting				
		Extended Period of Indemnity - 90 Days				
		Ordinance or Law - Increased Period of Restoration				



Endorsement

Commercial Property Coverage Declarations**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

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Loc	Bldg	Type	Limit of Insurance	Coinsurance	Cause Of Loss	Premium
2	1	Building	\$3,747,347	100%	Special	\$3,095

Replacement Cost

Agreed Value

Agreed Value Expiration Date:
12/01/2023

Deductible - \$5,000

Loc	Bldg	Type	Limit of Insurance	Coinsurance	Cause Of Loss	Premium
2	1	Business Personal Property	\$250,000	100%	Special	\$637

Replacement Cost

Agreed Value

Agreed Value Expiration Date:
12/01/2023

Deductible - \$5,000

Loc	Bldg	Type	Limit of Insurance	Coinsurance	Cause Of Loss	Premium
2	1	Business Income Including Rental Value & Extra Expense - Not to Exceed 12 Consecutive Months	Actual Loss Sustained	Waived	Special	\$546

Time Period - no waiting

Extended Period of Indemnity - 90
Days

Ordinance or Law - Increased
Period of Restoration

See attached Forms Schedule for forms and endorsements applicable to this coverage.



Endorsement

Commercial Property Endorsements and Miscellaneous Premiums**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076**Agency Name and Address:**ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
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Endorsements – Applicable to All Locations

Description	Form Number	Premium
Equipment Breakdown	WB34	\$491
Property Additional Coverages and Coverage Extensions Endorsement – Essential	WB2906	\$450
Cyber Suite	WB2843	\$294
Water Backup, Sump Pump Overflow	WB1337	\$250

Endorsements – Applicable to a Specific Location

Loc	Bldg	Description	Form Number	Premium
1	1	Utility Services - Time Element	CP1545	Included
2	1	Utility Services - Time Element	CP1545	Included

Miscellaneous Premiums

Description	Form Number	Premium
Terrorism Risk Insurance Act		\$280
Terrorism Risk Insurance Act (Fire Only)		\$162
Total Commercial Property Premium:		\$8,178

See attached Forms Schedule for forms and endorsements applicable to this coverage.



Endorsement

Commercial Property Additional Interest Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
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OAK BROOK, IL 60523
630-468-5400

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Additional Interest Schedule

Loc	Name and Address	Reference/Loan Number	Interest
2	St. Charles Bank & Trust 411 W Main St Saint Charles, IL 60174-1815		Mortgageholder



Endorsement

Commercial Property Forms Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
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Agency Name and Address:

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Forms Schedule

Number	Edition	Description
CP0010	1012	BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CP0030	1012	BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
CP0090	0788	COMMERCIAL PROPERTY CONDITIONS
CP0140	0706	EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA
CP0401	1000	BRANDS AND LABELS
CP1030	0917	CAUSES OF LOSS - SPECIAL FORM
CP1075	1220	CYBER INCIDENT EXCLUSION
CP1218	1012	LOSS PAYABLE PROVISIONS
CP1531	0917	ORDINANCE OR LAW - INCREASED PERIOD OF RESTORATION
CP1545	0917	UTILITY SERVICES - TIME ELEMENT
CP1556	0607	BUSINESS INCOME CHANGES - BEGINNING OF THE PERIOD OF RESTORATION
WB1337	0118	WATER BACK UP, SUMP PUMP OVERFLOW
WB2186	1205	BUSINESS INCOME COVERAGE - ACTUAL LOSS SUSTAINED (TWELVE MONTH LIMITATION)
WB2906	1220	PROPERTY ADDITIONAL COVERAGES AND COVERAGE EXTENSIONS ENDORSEMENT
WB34	0118	EQUIPMENT BREAKDOWN COVERAGE ENDORSEMENT



Endorsement

Commercial Property Forms Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

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Forms Schedule

Number	Edition	Description
WB539	0414	AUTOMATIC BUILDING VALUE INCREASE
WB898	0118	YOUR BUSINESS PERSONAL PROPERTY AMENDMENT TENANT GLASS
WB2843	0819	CYBER SUITE COVERAGE ENDORSEMENT (CLAIMS-MADE THIRD PARTY)
CP0149	0607	ILLINOIS CHANGES - ARTIFICIALLY GENERATED ELECTRICAL CURRENT EXCLUSION
WB2844	0819	ILLINOIS CHANGES AMENDATORY ENDORSEMENT

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section H. Definitions.

A. Coverage

We will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.

1. Covered Property

Covered Property, as used in this Coverage Part, means the type of property described in this section, **A.1.**, and limited in **A.2.** Property Not Covered, if a Limit Of Insurance is shown in the Declarations for that type of property.

a. Building, meaning the building or structure described in the Declarations, including:

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures;
- (3) Permanently installed:
 - (a) Machinery; and
 - (b) Equipment;
- (4) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:
 - (a) Fire-extinguishing equipment;
 - (b) Outdoor furniture;
 - (c) Floor coverings; and
 - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- (5) If not covered by other insurance:
 - (a) Additions under construction, alterations and repairs to the building or structure;
 - (b) Materials, equipment, supplies and temporary structures, on or within 100 feet of the described premises, used for making additions, alterations or repairs to the building or structure.

b. Your Business Personal Property

consists of the following property located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or structure or within 100 feet of the premises described in the Declarations, whichever distance is greater:

- (1) Furniture and fixtures;
- (2) Machinery and equipment;
- (3) "Stock";
- (4) All other personal property owned by you and used in your business;
- (5) Labor, materials or services furnished or arranged by you on personal property of others;
- (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - (a) Made a part of the building or structure you occupy but do not own; and
 - (b) You acquired or made at your expense but cannot legally remove;
- (7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property Of Others.

c. Personal Property Of Others that is:

- (1) In your care, custody or control; and
- (2) Located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or structure or within 100 feet of the premises described in the Declarations, whichever distance is greater.

However, our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

2. Property Not Covered

Covered Property does not include:

- a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;
- b. Animals, unless owned by others and boarded by you, or if owned by you, only as "stock" while inside of buildings;
- c. Automobiles held for sale;
- d. Bridges, roadways, walks, patios or other paved surfaces;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. The cost of excavations, grading, backfilling or filling;
- g. Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - (1) The lowest basement floor; or
 - (2) The surface of the ground, if there is no basement;
- h. Land (including land on which the property is located), water, growing crops or lawns (other than lawns which are part of a vegetated roof);
- i. Personal property while airborne or waterborne;
- j. Bulkheads, pilings, piers, wharves or docks;
- k. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
- l. Retaining walls that are not part of a building;
- m. Underground pipes, flues or drains;
- n. Electronic data, except as provided under the Additional Coverage, Electronic Data. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data. This paragraph, n., does not apply to your "stock" of prepackaged software, or to electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system;
- o. The cost to replace or restore the information on valuable papers and records, including those which exist as electronic data. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valuable Papers And Records (Other Than Electronic Data) for limited coverage for valuable papers and records other than those which exist as electronic data;
- p. Vehicles or self-propelled machines (including aircraft or watercraft) that:
 - (1) Are licensed for use on public roads; or
 - (2) Are operated principally away from the described premises.

This paragraph does not apply to:

 - (a) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;

- (b) Vehicles or self-propelled machines, other than autos, you hold for sale;
 - (c) Rowboats or canoes out of water at the described premises; or
 - (d) Trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers; or
- q. The following property while outside of buildings:
- (1) Grain, hay, straw or other crops;
 - (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), all except as provided in the Coverage Extensions.

3. Covered Causes Of Loss

See applicable Causes Of Loss form as shown in the Declarations.

4. Additional Coverages

a. Debris Removal

- (1) Subject to Paragraphs (2), (3) and (4), we will pay your expense to remove debris of Covered Property and other debris that is on the described premises, when such debris is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
 - (2) Debris Removal does not apply to costs to:
 - (a) Remove debris of property of yours that is not insured under this policy, or property in your possession that is not Covered Property;
 - (b) Remove debris of property owned by or leased to the landlord of the building where your described premises are located, unless you have a contractual responsibility to insure such property and it is insured under this policy;
 - (c) Remove any property that is Property Not Covered, including property addressed under the Outdoor Property Coverage Extension;
 - (d) Remove property of others of a type that would not be Covered Property under this Coverage Form;
 - (e) Remove deposits of mud or earth from the grounds of the described premises;
 - (f) Extract "pollutants" from land or water; or
 - (g) Remove, restore or replace polluted land or water.
- (3) Subject to the exceptions in Paragraph (4), the following provisions apply:
- (a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
 - (b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage. However, if no Covered Property has sustained direct physical loss or damage, the most we will pay for removal of debris of other property (if such removal is covered under this Additional Coverage) is \$5,000 at each location.
- (4) We will pay up to an additional \$25,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:
- (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
 - (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if (4)(a) and/or (4)(b) applies, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$25,000.

(5) Examples

The following examples assume that there is no Coinsurance penalty.

Example 1

Limit of Insurance:	\$ 90,000
Amount of Deductible:	\$ 500
Amount of Loss:	\$ 50,000
Amount of Loss Payable:	\$ 49,500
	(\$50,000 – \$500)
Debris Removal Expense:	\$ 10,000
Debris Removal Expense Payable:	\$ 10,000
	(\$10,000 is 20% of \$50,000.)

The debris removal expense is less than 25% of the sum of the loss payable plus the deductible. The sum of the loss payable and the debris removal expense (\$49,500 + \$10,000 = \$59,500) is less than the Limit of Insurance. Therefore, the full amount of debris removal expense is payable in accordance with the terms of Paragraph (3).

Example 2

Limit of Insurance:	\$ 90,000
Amount of Deductible:	\$ 500
Amount of Loss:	\$ 80,000
Amount of Loss Payable:	\$ 79,500
	(\$80,000 – \$500)
Debris Removal Expense:	\$ 40,000
Debris Removal Expense Payable	
Basic Amount:	\$ 10,500
Additional Amount:	\$ 25,000

The basic amount payable for debris removal expense under the terms of Paragraph (3) is calculated as follows: \$80,000 (\$79,500 + \$500) x .25 = \$20,000, capped at \$10,500. The cap applies because the sum of the loss payable (\$79,500) and the basic amount payable for debris removal expense (\$10,500) cannot exceed the Limit of Insurance (\$90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense (\$40,000) exceeds 25% of the loss payable plus the deductible (\$40,000 is 50% of \$80,000), and because the sum of the loss payable and debris removal expense (\$79,500 + \$40,000 = \$119,500) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$25,000, the maximum payable under Paragraph (4). Thus, the total payable for debris removal expense in this example is \$35,500; \$4,500 of the debris removal expense is not covered.

b. Preservation Of Property

If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the loss or damage occurs within 30 days after the property is first moved.

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$1,000 for service at each premises described in the Declarations, unless a higher limit is shown in the Declarations. Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

This Additional Coverage applies to your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

No Deductible applies to this Additional Coverage.

d. Pollutant Clean-up And Removal

We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each described premises is \$10,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

e. Increased Cost Of Construction

- (1) This Additional Coverage applies only to buildings to which the Replacement Cost Optional Coverage applies.
- (2) In the event of damage by a Covered Cause of Loss to a building that is Covered Property, we will pay the increased costs incurred to comply with the minimum standards of an ordinance or law in the course of repair, rebuilding or replacement of damaged parts of that property, subject to the limitations stated in **e.(3)** through **e.(9)** of this Additional Coverage.
- (3) The ordinance or law referred to in **e.(2)** of this Additional Coverage is an ordinance or law that regulates the construction or repair of buildings or establishes zoning or land use requirements at the described premises and is in force at the time of loss.
- (4) Under this Additional Coverage, we will not pay any costs due to an ordinance or law that:
 - (a) You were required to comply with before the loss, even when the building was undamaged; and
 - (b) You failed to comply with.

(5) Under this Additional Coverage, we will not pay for:

- (a) The enforcement of or compliance with any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
 - (b) Any costs associated with the enforcement of or compliance with an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.
- (6) The most we will pay under this Additional Coverage, for each described building insured under this Coverage Form, is \$10,000 or 5% of the Limit of Insurance applicable to that building, whichever is less. If a damaged building is covered under a blanket Limit of Insurance which applies to more than one building or item of property, then the most we will pay under this Additional Coverage, for that damaged building, is the lesser of \$10,000 or 5% times the value of the damaged building as of the time of loss times the applicable Coinsurance percentage.
- The amount payable under this Additional Coverage is additional insurance.
- (7) With respect to this Additional Coverage:
- (a) We will not pay for the Increased Cost of Construction:
 - (i) Until the property is actually repaired or replaced at the same or another premises; and
 - (ii) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

- (b) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of **e.(6)** of this Additional Coverage, is the increased cost of construction at the same premises.
- (c) If the ordinance or law requires relocation to another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of **e.(6)** of this Additional Coverage, is the increased cost of construction at the new premises.

(8) This Additional Coverage is not subject to the terms of the Ordinance Or Law Exclusion to the extent that such Exclusion would conflict with the provisions of this Additional Coverage.

(9) The costs addressed in the Loss Payment and Valuation Conditions and the Replacement Cost Optional Coverage, in this Coverage Form, do not include the increased cost attributable to enforcement of or compliance with an ordinance or law. The amount payable under this Additional Coverage, as stated in **e.(6)** of this Additional Coverage, is not subject to such limitation.

f. Electronic Data

- (1) Under this Additional Coverage, electronic data has the meaning described under Property Not Covered, Electronic Data. This Additional Coverage does not apply to your "stock" of prepackaged software, or to electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system.
- (2) Subject to the provisions of this Additional Coverage, we will pay for the cost to replace or restore electronic data which has been destroyed or corrupted by a Covered Cause of Loss. To the extent that electronic data is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the electronic data was stored, with blank media of substantially identical type.

(3) The Covered Causes of Loss applicable to Your Business Personal Property apply to this Additional Coverage, Electronic Data, subject to the following:

- (a) If the Causes Of Loss – Special Form applies, coverage under this Additional Coverage, Electronic Data, is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.
- (b) If the Causes Of Loss – Broad Form applies, coverage under this Additional Coverage, Electronic Data, includes Collapse as set forth in that form.
- (c) If the Causes Of Loss form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage, Electronic Data.
- (d) The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for loss or damage caused by or resulting from manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.

- (4) The most we will pay under this Additional Coverage, Electronic Data, is \$2,500 (unless a higher limit is shown in the Declarations) for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

5. Coverage Extensions

Except as otherwise provided, the following Extensions apply to property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

If a Coinsurance percentage of 80% or more, or a Value Reporting period symbol, is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

a. Newly Acquired Or Constructed Property

(1) Buildings

If this policy covers Building, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at locations, other than the described premises, intended for:
 - (i) Similar use as the building described in the Declarations; or
 - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$250,000 at each building.

(2) Your Business Personal Property

- (a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:

- (i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions; or
- (ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations.

The most we will pay for loss or damage under this Extension is \$100,000 at each building.

- (b) This Extension does not apply to:

- (i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or
- (ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period Of Coverage

With respect to insurance provided under this Coverage Extension for Newly Acquired Or Constructed Property, coverage will end when any of the following first occurs:

- (a) This policy expires;
- (b) 30 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

b. Personal Effects And Property Of Others

You may extend the insurance that applies to Your Business Personal Property to apply to:

- (1) Personal effects owned by you, your officers, your partners or members, your managers or your employees. This Extension does not apply to loss or damage by theft.
- (2) Personal property of others in your care, custody or control.

The most we will pay for loss or damage under this Extension is \$2,500 at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

c. Valuable Papers And Records (Other Than Electronic Data)

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered, Electronic Data.
- (2) If the Causes Of Loss – Special Form applies, coverage under this Extension is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.
- (3) If the Causes Of Loss – Broad Form applies, coverage under this Extension includes Collapse as set forth in that form.
- (4) Under this Extension, the most we will pay to replace or restore the lost information is \$2,500 at each described premises, unless a higher limit is shown in the Declarations. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist) and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and, therefore, coverage of such costs is not additional insurance.

d. Property Off-premises

- (1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:
 - (a) Temporarily at a location you do not own, lease or operate;
 - (b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
 - (c) At any fair, trade show or exhibition.
- (2) This Extension does not apply to property:
 - (a) In or on a vehicle; or
 - (b) In the care, custody or control of your salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.
- (3) The most we will pay for loss or damage under this Extension is \$10,000.

e. Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, radio and television antennas (including satellite dishes), trees, shrubs and plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or Civil Commotion; or
- (5) Aircraft.

The most we will pay for loss or damage under this Extension is \$1,000, but not more than \$250 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

Subject to all aforementioned terms and limitations of coverage, this Coverage Extension includes the expense of removing from the described premises the debris of trees, shrubs and plants which are the property of others, except in the situation in which you are a tenant and such property is owned by the landlord of the described premises.

f. Non-owned Detached Trailers

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:
 - (a) The trailer is used in your business;
 - (b) The trailer is in your care, custody or control at the premises described in the Declarations; and
 - (c) You have a contractual responsibility to pay for loss or damage to the trailer.
- (2) We will not pay for any loss or damage that occurs:
 - (a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;
 - (b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.
- (3) The most we will pay for loss or damage under this Extension is \$5,000, unless a higher limit is shown in the Declarations.
- (4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

g. Business Personal Property Temporarily In Portable Storage Units

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to such property while temporarily stored in a portable storage unit (including a detached trailer) located within 100 feet of the building or structure described in the Declarations or within 100 feet of the premises described in the Declarations, whichever distance is greater.

- (2) If the applicable Covered Causes of Loss form or endorsement contains a limitation or exclusion concerning loss or damage from sand, dust, sleet, snow, ice or rain to property in a structure, such limitation or exclusion also applies to property in a portable storage unit.
- (3) Coverage under this Extension:
 - (a) Will end 90 days after the business personal property has been placed in the storage unit;
 - (b) Does not apply if the storage unit itself has been in use at the described premises for more than 90 consecutive days, even if the business personal property has been stored there for 90 or fewer days as of the time of loss or damage.
- (4) Under this Extension, the most we will pay for the total of all loss or damage to business personal property is \$10,000 (unless a higher limit is indicated in the Declarations for such Extension) regardless of the number of storage units. Such limit is part of, not in addition to, the applicable Limit of Insurance on Your Business Personal Property. Therefore, payment under this Extension will not increase the applicable Limit of Insurance on Your Business Personal Property.
- (5) This Extension does not apply to loss or damage otherwise covered under this Coverage Form or any endorsement to this Coverage Form or policy, and does not apply to loss or damage to the storage unit itself.

Each of these Extensions is additional insurance unless otherwise indicated. The Additional Condition, Coinsurance, does not apply to these Extensions.

B. Exclusions And Limitations

See applicable Causes Of Loss form as shown in the Declarations.

C. Limits Of Insurance

The most we will pay for loss or damage in any one occurrence is the applicable Limit Of Insurance shown in the Declarations.

The most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to a building, is \$2,500 per sign in any one occurrence.

The amounts of insurance stated in the following Additional Coverages apply in accordance with the terms of such coverages and are separate from the Limit(s) Of Insurance shown in the Declarations for any other coverage:

1. Fire Department Service Charge;
2. Pollutant Clean-up And Removal;
3. Increased Cost Of Construction; and
4. Electronic Data.

Payments under the Preservation Of Property Additional Coverage will not increase the applicable Limit of Insurance.

D. Deductible

In any one occurrence of loss or damage (hereinafter referred to as loss), we will first reduce the amount of loss if required by the Coinsurance Condition or the Agreed Value Optional Coverage. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss and will pay the resulting amount or the Limit of Insurance, whichever is less.

When the occurrence involves loss to more than one item of Covered Property and separate Limits of Insurance apply, the losses will not be combined in determining application of the Deductible. But the Deductible will be applied only once per occurrence.

Example 1

(This example assumes there is no Coinsurance penalty.)

Deductible:	\$ 250
Limit of Insurance – Building 1:	\$ 60,000
Limit of Insurance – Building 2:	\$ 80,000
Loss to Building 1:	\$ 60,100
Loss to Building 2:	\$ 90,000

The amount of loss to Building 1 (\$60,100) is less than the sum (\$60,250) of the Limit of Insurance applicable to Building 1 plus the Deductible.

The Deductible will be subtracted from the amount of loss in calculating the loss payable for Building 1:

$$\begin{array}{r} \$ 60,100 \\ - \quad 250 \\ \hline \end{array}$$

\$ 59,850 Loss Payable – Building 1

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of loss payable for Building 2. Loss payable for Building 2 is the Limit of Insurance of \$80,000.

Total amount of loss payable:

$$\$59,850 + \$80,000 = \$139,850$$

Example 2

(This example, too, assumes there is no Coinsurance penalty.)

The Deductible and Limits of Insurance are the same as those in Example 1.

Loss to Building 1:	\$ 70,000
(Exceeds Limit of Insurance plus Deductible)	
Loss to Building 2:	\$ 90,000
(Exceeds Limit of Insurance plus Deductible)	
Loss Payable – Building 1:	\$ 60,000
(Limit of Insurance)	
Loss Payable – Building 2:	\$ 80,000
(Limit of Insurance)	
Total amount of loss payable:	\$ 140,000

E. Loss Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

3. Duties In The Event Of Loss Or Damage

- a. You must see that the following are done in the event of loss or damage to Covered Property:

- (1) Notify the police if a law may have been broken.

- (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when and where the loss or damage occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
- (5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
- (6) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.
- Also, permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
- (7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (8) Cooperate with us in the investigation or settlement of the claim.
- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

4. Loss Payment

- a. In the event of loss or damage covered by this Coverage Form, at our option, we will either:
- (1) Pay the value of lost or damaged property;
 - (2) Pay the cost of repairing or replacing the lost or damaged property, subject to **b.** below;
 - (3) Take all or any part of the property at an agreed or appraised value; or
 - (4) Repair, rebuild or replace the property with other property of like kind and quality, subject to **b.** below.
- We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of the Valuation Condition in this Coverage Form or any applicable provision which amends or supersedes the Valuation Condition.
- b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.
- c. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- d. We will not pay you more than your financial interest in the Covered Property.
- e. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- f. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- g. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part, and:
- (1) We have reached agreement with you on the amount of loss; or
 - (2) An appraisal award has been made.

- h.** A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable policy provisions including Limits of Insurance, the Valuation and Coinsurance Conditions and all other provisions of this Loss Payment Condition. Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Transfer Of Rights Of Recovery Against Others To Us Condition in this policy.

5. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

6. Vacancy

a. Description Of Terms

- (1)** As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in **(1)(a)** and **(1)(b)** below:
- (a)** When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.

- (b)** When this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:

- (i)** Rented to a lessee or sublessee and used by the lessee or sublessee to conduct its customary operations; and/or
- (ii)** Used by the building owner to conduct customary operations.

- (2)** Buildings under construction or renovation are not considered vacant.

b. Vacancy Provisions

If the building where loss or damage occurs has been vacant for more than 60 consecutive days before that loss or damage occurs:

- (1)** We will not pay for any loss or damage caused by any of the following, even if they are Covered Causes of Loss:
- (a)** Vandalism;
- (b)** Sprinkler leakage, unless you have protected the system against freezing;
- (c)** Building glass breakage;
- (d)** Water damage;
- (e)** Theft; or
- (f)** Attempted theft.
- (2)** With respect to Covered Causes of Loss other than those listed in **b.(1)(a)** through **b.(1)(f)** above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

7. Valuation

We will determine the value of Covered Property in the event of loss or damage as follows:

- a.** At actual cash value as of the time of loss or damage, except as provided in **b.**, **c.**, **d.** and **e.** below.
- b.** If the Limit of Insurance for Building satisfies the Additional Condition, Coinsurance, and the cost to repair or replace the damaged building property is \$2,500 or less, we will pay the cost of building repairs or replacement.

The cost of building repairs or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

However, the following property will be valued at the actual cash value, even when attached to the building:

- (1) Awnings or floor coverings;
 - (2) Appliances for refrigerating, ventilating, cooking, dishwashing or laundering; or
 - (3) Outdoor equipment or furniture.
- c. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.
- d. Glass at the cost of replacement with safety-glazing material if required by law.
- e. Tenants' Improvements and Betterments at:
- (1) Actual cash value of the lost or damaged property if you make repairs promptly.
 - (2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:
 - (a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - (b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.

- (3) Nothing if others pay for repairs or replacement.

F. Additional Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

1. Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies:

- a. We will not pay the full amount of any loss if the value of Covered Property at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for the property.

Instead, we will determine the most we will pay using the following steps:

- (1) Multiply the value of Covered Property at the time of loss by the Coinsurance percentage;
- (2) Divide the Limit of Insurance of the property by the figure determined in Step (1);
- (3) Multiply the total amount of loss, before the application of any deductible, by the figure determined in Step (2); and
- (4) Subtract the deductible from the figure determined in Step (3).

We will pay the amount determined in Step (4) or the Limit of Insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

Example 1 (Underinsurance)

When:	The value of the property is:	\$ 250,000
	The Coinsurance percentage for it is:	80%
	The Limit of Insurance for it is:	\$ 100,000
	The Deductible is:	\$ 250
	The amount of loss is:	\$ 40,000

Step (1): $\$250,000 \times 80\% = \$200,000$
(the minimum amount of insurance to meet your Coinsurance requirements)

Step (2): $\$100,000 \div \$200,000 = .50$

Step (3): $\$40,000 \times .50 = \$20,000$

Step (4): $\$20,000 - \$250 = \$19,750$

We will pay no more than \$19,750. The remaining \$20,250 is not covered.

Example 2 (Adequate Insurance)

When:	The value of the property is:	\$ 250,000
	The Coinsurance percentage for it is:	80%
	The Limit of Insurance for it is:	\$ 200,000
	The Deductible is:	\$ 250
	The amount of loss is:	\$ 40,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 ($\$250,000 \times 80\%$). Therefore, the Limit of Insurance in this example is adequate, and no penalty applies. We will pay no more than \$39,750 ($\$40,000$ amount of loss minus the deductible of \$250).

- b. If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

Example 3

When:	The value of the property is:	
	Building at Location 1:	\$ 75,000
	Building at Location 2:	\$ 100,000
	Personal Property at Location 2:	<u>\$ 75,000</u>
		\$ 250,000
	The Coinsurance percentage for it is:	90%
	The Limit of Insurance for Buildings and Personal Property at Locations 1 and 2 is:	\$ 180,000
	The Deductible is:	\$ 1,000
	The amount of loss is:	
	Building at Location 2:	\$ 30,000
	Personal Property at Location 2:	<u>\$ 20,000</u>
		\$ 50,000

Step (1): $\$250,000 \times 90\% = \$225,000$
(the minimum amount of insurance to meet your Coinsurance requirements and to avoid the penalty shown below)

Step (2): $\$180,000 \div \$225,000 = .80$

Step (3): $\$50,000 \times .80 = \$40,000$

Step (4): $\$40,000 - \$1,000 = \$39,000$

We will pay no more than \$39,000. The remaining \$11,000 is not covered.

2. Mortgageholders

- a. The term mortgageholder includes trustee.
- b. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
 - (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;

- (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and

- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All of the terms of this Coverage Part will then apply directly to the mortgageholder.

- e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

- (1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and

- (2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

- f. If we cancel this policy, we will give written notice to the mortgageholder at least:

- (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or

- (2) 30 days before the effective date of cancellation if we cancel for any other reason.

- g. If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

G. Optional Coverages

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item:

1. Agreed Value

- a. The Additional Condition, Coinsurance, does not apply to Covered Property to which this Optional Coverage applies. We will pay no more for loss of or damage to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Agreed Value shown for it in the Declarations.

b. If the expiration date for this Optional Coverage shown in the Declarations is not extended, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage expires.

c. The terms of this Optional Coverage apply only to loss or damage that occurs:

- (1) On or after the effective date of this Optional Coverage; and
- (2) Before the Agreed Value expiration date shown in the Declarations or the policy expiration date, whichever occurs first.

2. Inflation Guard

a. The Limit of Insurance for property to which this Optional Coverage applies will automatically increase by the annual percentage shown in the Declarations.

b. The amount of increase will be:

- (1) The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance, times
- (2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), times
- (3) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

Example

If: The applicable Limit of Insurance is: \$ 100,000
 The annual percentage increase is: 8%
 The number of days since the beginning of the policy year (or last policy change) is: 146
 The amount of increase is:
 $\$100,000 \times .08 \times 146 \div 365 =$ \$ 3,200

3. Replacement Cost

a. Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Valuation Loss Condition of this Coverage Form.

b. This Optional Coverage does not apply to:

- (1) Personal property of others;
- (2) Contents of a residence;
- (3) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; or

(4) "Stock", unless the Including "Stock" option is shown in the Declarations.

Under the terms of this Replacement Cost Optional Coverage, tenants' improvements and betterments are not considered to be the personal property of others.

c. You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim for the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the loss or damage.

d. We will not pay on a replacement cost basis for any loss or damage:

- (1) Until the lost or damaged property is actually repaired or replaced; and
- (2) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage.

With respect to tenants' improvements and betterments, the following also apply:

(3) If the conditions in d.(1) and d.(2) above are not met, the value of tenants' improvements and betterments will be determined as a proportion of your original cost, as set forth in the Valuation Loss Condition of this Coverage Form; and

(4) We will not pay for loss or damage to tenants' improvements and betterments if others pay for repairs or replacement.

e. We will not pay more for loss or damage on a replacement cost basis than the least of (1), (2) or (3), subject to f. below:

- (1) The Limit of Insurance applicable to the lost or damaged property;
- (2) The cost to replace the lost or damaged property with other property:

(a) Of comparable material and quality; and

(b) Used for the same purpose; or

(3) The amount actually spent that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a new premises, the cost described in e.(2) above is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.

- f. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

4. Extension Of Replacement Cost To Personal Property Of Others

- a. If the Replacement Cost Optional Coverage is shown as applicable in the Declarations, then this Extension may also be shown as applicable. If the Declarations show this Extension as applicable, then Paragraph **3.b.(1)** of the Replacement Cost Optional Coverage is deleted and all other provisions of the Replacement Cost Optional Coverage apply to replacement cost on personal property of others.

- b. With respect to replacement cost on the personal property of others, the following limitation applies:

If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the lesser of the replacement cost of the property or the applicable Limit of Insurance.

H. Definitions

1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
2. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
3. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **F**. Definitions.

A. Coverage

1. Business Income

Business Income means the:

- a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
- b. Continuing normal operating expenses incurred, including payroll.

For manufacturing risks, Net Income includes the net sales value of production.

Coverage is provided as described and limited below for one or more of the following options for which a Limit Of Insurance is shown in the Declarations:

- (1) Business Income Including "Rental Value".
- (2) Business Income Other Than "Rental Value".
- (3) "Rental Value".

If option (1) above is selected, the term Business Income will include "Rental Value". If option (3) above is selected, the term Business Income will mean "Rental Value" only.

If Limits of Insurance are shown under more than one of the above options, the provisions of this Coverage Part apply separately to each.

We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at premises which are described in the Declarations and for which a Business Income Limit Of Insurance is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 100 feet of such premises.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of a building, your premises means:

- (a) The portion of the building which you rent, lease or occupy;
- (b) The area within 100 feet of the building or within 100 feet of the premises described in the Declarations, whichever distance is greater (with respect to loss of or damage to personal property in the open or personal property in a vehicle); and
- (c) Any area within the building or at the described premises, if that area services, or is used to gain access to, the portion of the building which you rent, lease or occupy.

2. Extra Expense

- a. Extra Expense Coverage is provided at the premises described in the Declarations only if the Declarations show that Business Income Coverage applies at that premises.
- b. Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

We will pay Extra Expense (other than the expense to repair or replace property) to:

- (1) Avoid or minimize the "suspension" of business and to continue operations at the described premises or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.

- (2) Minimize the "suspension" of business if you cannot continue "operations".

We will also pay Extra Expense to repair or replace property, but only to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Form.

3. Covered Causes Of Loss, Exclusions And Limitations

See applicable Causes Of Loss form as shown in the Declarations.

4. Additional Limitation – Interruption Of Computer Operations

- a. Coverage for Business Income does not apply when a "suspension" of "operations" is caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage, Interruption Of Computer Operations.
- b. Coverage for Extra Expense does not apply when action is taken to avoid or minimize a "suspension" of "operations" caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage, Interruption Of Computer Operations.
- c. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.
- d. This Additional Limitation does not apply when loss or damage to electronic data involves only electronic data which is integrated in and operates or controls a building's elevator, lighting, heating, ventilation, air conditioning or security system.

5. Additional Coverages

a. Civil Authority

In this Additional Coverage, Civil Authority, the described premises are premises to which this Coverage Form applies, as shown in the Declarations.

When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

- (1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property; and
- (2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority Coverage for Business Income will begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to four consecutive weeks from the date on which such coverage began.

Civil Authority Coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will end:

- (1) Four consecutive weeks after the date of that action; or
 - (2) When your Civil Authority Coverage for Business Income ends;
- whichever is later.

b. Alterations And New Buildings

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur due to direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss to:

- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and
- (3) Machinery, equipment, supplies or building materials located on or within 100 feet of the described premises and:
 - (a) Used in the construction, alterations or additions; or
 - (b) Incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations", the "period of restoration" for Business Income Coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

c. Extended Business Income**(1) Business Income Other Than "Rental Value"**

If the necessary "suspension" of your "operations" produces a Business Income loss payable under this policy, we will pay for the actual loss of Business Income you incur during the period that:

- (a) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (b) Ends on the earlier of:
 - (i) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical loss or damage had occurred; or
 - (ii) 60 consecutive days after the date determined in (1)(a) above.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

(2) "Rental Value"

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this policy, we will pay for the actual loss of "Rental Value" you incur during the period that:

- (a) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- (b) Ends on the earlier of:
 - (i) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or
 - (ii) 60 consecutive days after the date determined in (2)(a) above.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of "Rental Value" must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

d. Interruption Of Computer Operations

- (1) Under this Additional Coverage, electronic data has the meaning described under Additional Limitation – Interruption Of Computer Operations.

(2) Subject to all provisions of this Additional Coverage, you may extend the insurance that applies to Business Income and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of electronic data due to a Covered Cause of Loss. However, we will not provide coverage under this Additional Coverage when the Additional Limitation – Interruption Of Computer Operations does not apply based on Paragraph A.4.d. therein.

(3) With respect to the coverage provided under this Additional Coverage, the Covered Causes of Loss are subject to the following:

- (a) If the Causes Of Loss – Special Form applies, coverage under this Additional Coverage, Interruption Of Computer Operations, is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.
- (b) If the Causes Of Loss – Broad Form applies, coverage under this Additional Coverage, Interruption Of Computer Operations, includes Collapse as set forth in that form.
- (c) If the Causes Of Loss form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage, Interruption Of Computer Operations.
- (d) The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for an interruption related to manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, maintain, repair or replace that system.

(4) The most we will pay under this Additional Coverage, Interruption Of Computer Operations, is \$2,500 (unless a higher limit is shown in the Declarations) for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or the number of premises, locations or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or expense in a subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.

(5) This Additional Coverage, Interruption Of Computer Operations, does not apply to loss sustained or expense incurred after the end of the "period of restoration", even if the amount of insurance stated in (4) above has not been exhausted.

6. Coverage Extension

If a Coinsurance percentage of 50% or more is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

Newly Acquired Locations

- a. You may extend your Business Income and Extra Expense Coverages to apply to property at any location you acquire other than fairs or exhibitions.
- b. The most we will pay under this Extension, for the sum of Business Income loss and Extra Expense incurred, is \$100,000 at each location, unless a higher limit is shown in the Declarations.
- c. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:
 - (1) This policy expires;

(2) 30 days expire after you acquire or begin to construct the property; or

(3) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property.

The Additional Condition, Coinsurance, does not apply to this Extension.

B. Limits Of Insurance

The most we will pay for loss in any one occurrence is the applicable Limit Of Insurance shown in the Declarations.

Payments under the following coverages will not increase the applicable Limit of Insurance:

1. Alterations And New Buildings;
2. Civil Authority;
3. Extra Expense; or
4. Extended Business Income.

The amounts of insurance stated in the Interruption Of Computer Operations Additional Coverage and the Newly Acquired Locations Coverage Extension apply in accordance with the terms of those coverages and are separate from the Limit(s) Of Insurance shown in the Declarations for any other coverage.

C. Loss Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

1. Appraisal

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

2. Duties In The Event Of Loss

a. You must see that the following are done in the event of loss:

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the direct physical loss or damage. Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when and where the direct physical loss or damage occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
- (5) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
- (6) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (7) Cooperate with us in the investigation or settlement of the claim.
- (8) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.

b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

3. Loss Determination

- a. The amount of Business Income loss will be determined based on:
- (1) The Net Income of the business before the direct physical loss or damage occurred;
 - (2) The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
 - (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
 - (4) Other relevant sources of information, including:
 - (a) Your financial records and accounting procedures;
 - (b) Bills, invoices and other vouchers; and
 - (c) Deeds, liens or contracts.
- b. The amount of Extra Expense will be determined based on:
- (1) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
 - (a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
 - (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
 - (2) Necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

c. Resumption Of Operations

We will reduce the amount of your:

- (1) Business Income loss, other than Extra Expense, to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.
 - (2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.
- d. If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

4. Loss Payment

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part, and:

- a. We have reached agreement with you on the amount of loss; or
- b. An appraisal award has been made.

D. Additional Condition**COINSURANCE**

If a Coinsurance percentage is shown in the Declarations, the following condition applies in addition to the Common Policy Conditions and the Commercial Property Conditions.

We will not pay the full amount of any Business Income loss if the Limit of Insurance for Business Income is less than:

1. The Coinsurance percentage shown for Business Income in the Declarations; times
2. The sum of:
 - a. The Net Income (Net Profit or Loss before income taxes), and
 - b. Operating expenses, including payroll expenses,

that would have been earned or incurred (had no loss occurred) by your "operations" at the described premises for the 12 months following the inception, or last previous anniversary date, of this policy (whichever is later).

Instead, we will determine the most we will pay using the following steps:

- Step (1): Multiply the Net Income and operating expense for the 12 months following the inception, or last previous anniversary date, of this policy by the Coinsurance percentage;
- Step (2): Divide the Limit of Insurance for the described premises by the figure determined in Step (1); and
- Step (3): Multiply the total amount of loss by the figure determined in Step (2).

We will pay the amount determined in Step (3) or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

In determining operating expenses for the purpose of applying the Coinsurance condition, the following expenses, if applicable, shall be deducted from the total of all operating expenses:

- (1) Prepaid freight – outgoing;
- (2) Returns and allowances;
- (3) Discounts;
- (4) Bad debts;
- (5) Collection expenses;
- (6) Cost of raw stock and factory supplies consumed (including transportation charges);
- (7) Cost of merchandise sold (including transportation charges);
- (8) Cost of other supplies consumed (including transportation charges);
- (9) Cost of services purchased from outsiders (not employees) to resell, that do not continue under contract;
- (10) Power, heat and refrigeration expenses that do not continue under contract (if Form **CP 15 11** is attached);
- (11) All payroll expenses or the amount of payroll expense excluded (if Form **CP 15 10** is attached); and
- (12) Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion – not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

Example 1 (Underinsurance)

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been: \$ 400,000
 The Coinsurance percentage is: 50%
 The Limit of Insurance is: \$ 150,000
 The amount of loss is: \$ 80,000

Step (1): $\$400,000 \times 50\% = \$200,000$
 (the minimum amount of insurance to meet your Coinsurance requirements)

Step (2): $\$150,000 \div \$200,000 = .75$

Step (3): $\$80,000 \times .75 = \$60,000$

We will pay no more than \$60,000. The remaining \$20,000 is not covered.

Example 2 (Adequate Insurance)

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been: \$ 400,000
 The Coinsurance percentage is: 50%
 The Limit of Insurance is: \$ 200,000
 The amount of loss is: \$ 80,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 ($\$400,000 \times 50\%$). Therefore, the Limit of Insurance in this example is adequate and no penalty applies. We will pay no more than \$80,000 (amount of loss).

This condition does not apply to Extra Expense Coverage.

E. Optional Coverages

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

1. Maximum Period Of Indemnity

- a. The Additional Condition, Coinsurance, does not apply to this Coverage Form at the described premises to which this Optional Coverage applies.

b. The most we will pay for the total of Business Income loss and Extra Expense is the lesser of:

- (1) The amount of loss sustained and expenses incurred during the 120 days immediately following the beginning of the "period of restoration"; or
- (2) The Limit Of Insurance shown in the Declarations.

2. Monthly Limit Of Indemnity

- a. The Additional Condition, Coinsurance, does not apply to this Coverage Form at the described premises to which this Optional Coverage applies.
- b. The most we will pay for loss of Business Income in each period of 30 consecutive days after the beginning of the "period of restoration" is:
 - (1) The Limit of Insurance, multiplied by
 - (2) The fraction shown in the Declarations for this Optional Coverage.

Example

When: The Limit of Insurance is: \$ 120,000
 The fraction shown in the Declarations for this Optional Coverage is: 1/4
 The most we will pay for loss in each period of 30 consecutive days is: \$ 30,000
 (\$120,000 x 1/4 = \$30,000)
 If, in this example, the actual amount of loss is:

Days 1–30:	\$ 40,000
Days 31–60:	\$ 20,000
Days 61–90:	\$ 30,000
	<u>\$ 90,000</u>

We will pay:

Days 1–30:	\$ 30,000
Days 31–60:	\$ 20,000
Days 61–90:	\$ 30,000
	<u>\$ 80,000</u>

The remaining \$10,000 is not covered.

3. Business Income Agreed Value

- a. To activate this Optional Coverage:
 - (1) A Business Income Report/Work Sheet must be submitted to us and must show financial data for your "operations":
 - (a) During the 12 months prior to the date of the Work Sheet; and

(b) Estimated for the 12 months immediately following the inception of this Optional Coverage.

(2) The Declarations must indicate that the Business Income Agreed Value Optional Coverage applies, and an Agreed Value must be shown in the Declarations. The Agreed Value should be at least equal to:

- (a) The Coinsurance percentage shown in the Declarations; multiplied by
- (b) The amount of Net Income and operating expenses for the following 12 months you report on the Work Sheet.

b. The Additional Condition, Coinsurance, is suspended until:

- (1) 12 months after the effective date of this Optional Coverage; or
- (2) The expiration date of this policy; whichever occurs first.

c. We will reinstate the Additional Condition, Coinsurance, automatically if you do not submit a new Work Sheet and Agreed Value:

- (1) Within 12 months of the effective date of this Optional Coverage; or
- (2) When you request a change in your Business Income Limit of Insurance.

d. If the Business Income Limit of Insurance is less than the Agreed Value, we will not pay more of any loss than the amount of loss multiplied by:

- (1) The Business Income Limit of Insurance; divided by
- (2) The Agreed Value.

Example

When: The Limit of Insurance is: \$ 100,000
 The Agreed Value is: \$ 200,000
 The amount of loss is: \$ 80,000
 Step (1): $\$100,000 \div \$200,000 = .50$
 Step (2): $.50 \times \$80,000 = \$40,000$

We will pay \$40,000. The remaining \$40,000 is not covered.

4. Extended Period Of Indemnity

Under Paragraph A.5.c., **Extended Business Income**, the number 60 in Subparagraphs (1)(b) and (2)(b) is replaced by the number shown in the Declarations for this Optional Coverage.

F. Definitions

1. "Finished stock" means stock you have manufactured.

"Finished stock" also includes whiskey and alcoholic products being aged, unless there is a Coinsurance percentage shown for Business Income in the Declarations.

"Finished stock" does not include stock you have manufactured that is held for sale on the premises of any retail outlet insured under this Coverage Part.

2. "Operations" means:
 - a. Your business activities occurring at the described premises; and
 - b. The tenantability of the described premises, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.
3. "Period of restoration" means the period of time that:
 - a. Begins:
 - (1) 72 hours after the time of direct physical loss or damage for Business Income Coverage; or
 - (2) Immediately after the time of direct physical loss or damage for Extra Expense Coverage;

caused by or resulting from any Covered Cause of Loss at the described premises; and
 - b. Ends on the earlier of:
 - (1) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (2) The date when business is resumed at a new permanent location.

"Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:

- (1) Regulates the construction, use or repair, or requires the tearing down, of any property; or

- (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

4. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
5. "Rental Value" means Business Income that consists of:
 - a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, including fair rental value of any portion of the described premises which is occupied by you; and
 - b. Continuing normal operating expenses incurred in connection with that premises, including:
 - (1) Payroll; and
 - (2) The amount of charges which are the legal obligation of the tenant(s) but would otherwise be your obligations.
6. "Suspension" means:
 - a. The slowdown or cessation of your business activities; or
 - b. That a part or all of the described premises is rendered untenable, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.

COMMERCIAL PROPERTY**COMMERCIAL PROPERTY CONDITIONS**

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

B. CONTROL OF PROPERTY

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

C. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

D. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

E. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

F. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

G. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

H. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

1. We cover loss or damage commencing:
 - a. During the policy period shown in the Declarations; and
 - b. Within the coverage territory.
2. The coverage territory is:
 - a. The United States of America (including its territories and possessions);
 - b. Puerto Rico; and
 - c. Canada.

I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property or Covered Income.
2. After a loss to your Covered Property or Covered Income only if, at time of loss, that party is one of the following:
 - a. Someone insured by this insurance;
 - b. A business firm:
 - (1) Owned or controlled by you; or
 - (2) That owns or controls you; or
 - c. Your tenant.

This will not restrict your insurance.

COMMERCIAL PROPERTY
CP 01 40 07 06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART STANDARD PROPERTY POLICY

- A.** The exclusion set forth in Paragraph **B.** applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.
- B.** We will not pay for loss or damage caused by or resulting from any virus, bacterium or other micro-organism that induces or is capable of inducing physical distress, illness or disease.
However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part or Policy.
- C.** With respect to any loss or damage subject to the exclusion in Paragraph **B.**, such exclusion supersedes any exclusion relating to "pollutants".
- D.** The following provisions in this Coverage Part or Policy are hereby amended to remove reference to bacteria:
 - 1.** Exclusion of "Fungus", Wet Rot, Dry Rot And Bacteria; and
 - 2.** Additional Coverage – Limited Coverage for "Fungus", Wet Rot, Dry Rot And Bacteria, including any endorsement increasing the scope or amount of coverage.
- E.** The terms of the exclusion in Paragraph **B.**, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

COMMERCIAL PROPERTY
CP 04 01 10 00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BRANDS AND LABELS

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
STANDARD PROPERTY POLICY

- A.** If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or any part of the property at an agreed or appraised value. If so, you may:
1. Stamp "salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
 2. Remove the brands or labels, if doing so will not physically damage the merchandise. You must relabel the merchandise or its containers to comply with the law.
- B.** We will pay reasonable costs you incur to perform the activity described in **A.1.** or **A.2.** above. But the total we pay for these costs and the value of the damaged property will not exceed the applicable Limit of Insurance on such property.

CAUSES OF LOSS – SPECIAL FORM

Words and phrases that appear in quotation marks have special meaning. Refer to Section **G**. Definitions.

A. Covered Causes Of Loss

When Special is shown in the Declarations, Covered Causes of Loss means direct physical loss unless the loss is excluded or limited in this policy.

B. Exclusions

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

a. Ordinance Or Law

The enforcement of or compliance with any ordinance or law:

- (1) Regulating the construction, use or repair of any property; or
- (2) Requiring the tearing down of any property, including the cost of removing its debris.

This exclusion, Ordinance Or Law, applies whether the loss results from:

- (a) An ordinance or law that is enforced even if the property has not been damaged; or
- (b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

b. Earth Movement

- (1) Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event;
- (2) Landslide, including any earth sinking, rising or shifting related to such event;
- (3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;

- (4) Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if Earth Movement, as described in **b.(1)** through **(4)** above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

- (5) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

Volcanic Action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- (a) Airborne volcanic blast or airborne shock waves;
- (b) Ash, dust or particulate matter; or
- (c) Lava flow.

With respect to coverage for Volcanic Action as set forth in **(5)(a)**, **(5)(b)** and **(5)(c)**, all volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic Action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

This exclusion applies regardless of whether any of the above, in Paragraphs **(1)** through **(5)**, is caused by an act of nature or is otherwise caused.

c. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

d. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

e. Utility Services

The failure of power, communication, water or other utility service supplied to the described premises, however caused, if the failure:

- (1) Originates away from the described premises; or
- (2) Originates at the described premises, but only if such failure involves equipment used to supply the utility service to the described premises from a source away from the described premises.

Failure of any utility service includes lack of sufficient capacity and reduction in supply.

Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

But if the failure or surge of power, or the failure of communication, water or other utility service, results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

Communication services include but are not limited to service relating to Internet access or access to any electronic, cellular or satellite network.

f. War And Military Action

- (1) War, including undeclared or civil war;

- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

g. Water

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);

- (2) Mudslide or mudflow;

- (3) Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;

- (4) Water under the ground surface pressing on, or flowing or seeping through:

- (a) Foundations, walls, floors or paved surfaces;
- (b) Basements, whether paved or not; or
- (c) Doors, windows or other openings;

- (5) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph (1), (3) or (4), or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs (1) through (5), is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if any of the above, in Paragraphs (1) through (5), results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage (if sprinkler leakage is a Covered Cause of Loss).

h. "Fungus", Wet Rot, Dry Rot And Bacteria

Presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria.

But if "fungus", wet or dry rot or bacteria result in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

- (1) When "fungus", wet or dry rot or bacteria result from fire or lightning; or
- (2) To the extent that coverage is provided in the Additional Coverage, Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria, with respect to loss or damage by a cause of loss other than fire or lightning.

Exclusions **B.1.a.** through **B.1.h.** apply whether or not the loss event results in widespread damage or affects a substantial area.

2. We will not pay for loss or damage caused by or resulting from any of the following:

a. Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:

- (1) Electrical or electronic wire, device, appliance, system or network; or
- (2) Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to:

- (a) Electrical current, including arcing;
- (b) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (c) Pulse of electromagnetic energy; or
- (d) Electromagnetic waves or microwaves.

But if fire results, we will pay for the loss or damage caused by that fire.

- b. Delay, loss of use or loss of market.**
- c. Smoke, vapor or gas from agricultural smudging or industrial operations.**

d.(1) Wear and tear;

(2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;

(3) Smog;

(4) Settling, cracking, shrinking or expansion;

(5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals.

(6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.

(7) The following causes of loss to personal property:

(a) Dampness or dryness of atmosphere;

(b) Changes in or extremes of temperature; or

(c) Marring or scratching.

But if an excluded cause of loss that is listed in **2.d.(1)** through **(7)** results in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

e. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

f. Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.

- g.** Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:

- (1)** You do your best to maintain heat in the building or structure; or
- (2)** You drain the equipment and shut off the supply if the heat is not maintained.

- h.** Dishonest or criminal act (including theft) by you, any of your partners, members, officers, managers, employees (including temporary employees and leased workers), directors, trustees or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion:

- (1)** Applies whether or not an act occurs during your normal hours of operation;
 - (2)** Does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered.
- i.** Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- j.** Rain, snow, ice or sleet to personal property in the open.
- k.** Collapse, including any of the following conditions of property or any part of the property:
- (1)** An abrupt falling down or caving in;
 - (2)** Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
 - (3)** Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to **(1)** or **(2)** above.

But if collapse results in a Covered Cause of Loss at the described premises, we will pay for the loss or damage caused by that Covered Cause of Loss.

This exclusion, **k.**, does not apply:

- (a)** To the extent that coverage is provided under the Additional Coverage, Collapse; or
 - (b)** To collapse caused by one or more of the following:
 - (i)** The "specified causes of loss";
 - (ii)** Breakage of building glass;
 - (iii)** Weight of rain that collects on a roof; or
 - (iv)** Weight of people or personal property.
 - l.** Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".
- This exclusion, **l.**, does not apply to damage to glass caused by chemicals applied to the glass.
- m.** Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.
- 3.** We will not pay for loss or damage caused by or resulting from any of the following, **3.a.** through **3.c.** But if an excluded cause of loss that is listed in **3.a.** through **3.c.** results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.
- a.** Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph **1.** above to produce the loss or damage.
 - b.** Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
 - c.** Faulty, inadequate or defective:
 - (1)** Planning, zoning, development, surveying, siting;
 - (2)** Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - (3)** Materials used in repair, construction, renovation or remodeling; or
 - (4)** Maintenance;

of part or all of any property on or off the described premises.

4. Special Exclusions

The following provisions apply only to the specified Coverage Forms:

a. Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form, Or Extra Expense Coverage Form

We will not pay for:

- (1) Any loss caused by or resulting from:
 - (a) Damage or destruction of "finished stock"; or
 - (b) The time required to reproduce "finished stock".

This exclusion does not apply to Extra Expense.
- (2) Any loss caused by or resulting from direct physical loss or damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.
- (3) Any increase of loss caused by or resulting from:
 - (a) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
 - (b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage and the Extended Period Of Indemnity Optional Coverage or any variation of these.
- (4) Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".
- (5) Any other consequential loss.

b. Leasehold Interest Coverage Form

- (1) Paragraph **B.1.a.**, Ordinance Or Law, does not apply to insurance under this Coverage Form.
- (2) We will not pay for any loss caused by:
 - (a) Your cancelling the lease;
 - (b) The suspension, lapse or cancellation of any license; or
 - (c) Any other consequential loss.

c. Legal Liability Coverage Form

- (1) The following exclusions do not apply to insurance under this Coverage Form:
 - (a) Paragraph **B.1.a.** Ordinance Or Law;
 - (b) Paragraph **B.1.c.** Governmental Action;
 - (c) Paragraph **B.1.d.** Nuclear Hazard;
 - (d) Paragraph **B.1.e.** Utility Services; and
 - (e) Paragraph **B.1.f.** War And Military Action.
- (2) The following additional exclusions apply to insurance under this Coverage Form:

(a) Contractual Liability

We will not defend any claim or "suit", or pay damages that you are legally liable to pay, solely by reason of your assumption of liability in a contract or agreement. But this exclusion does not apply to a written lease agreement in which you have assumed liability for building damage resulting from an actual or attempted burglary or robbery, provided that:

- (i) Your assumption of liability was executed prior to the accident; and
- (ii) The building is Covered Property under this Coverage Form.

(b) Nuclear Hazard

We will not defend any claim or "suit", or pay any damages, loss, expense or obligation, resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

5. Additional Exclusion

The following provisions apply only to the specified property:

Loss Or Damage To Products

We will not pay for loss or damage to any merchandise, goods or other product caused by or resulting from error or omission by any person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, maintenance or repair. This exclusion applies to any effect that compromises the form, substance or quality of the product. But if such error or omission results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

C. Limitations

The following limitations apply to all policy forms and endorsements, unless otherwise stated:

1. We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.
 - a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
 - b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
 - c. The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
 - (1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
 - (2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
- d. Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft.

However, this limitation does not apply to:

 - (1) Building materials and supplies held for sale by you, unless they are insured under the Builders Risk Coverage Form; or
 - (2) Business Income Coverage or Extra Expense Coverage.
- e. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
- f. Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.
- g. Lawns, trees, shrubs or plants which are part of a vegetated roof, caused by or resulting from:
 - (1) Dampness or dryness of atmosphere or of soil supporting the vegetation;
 - (2) Changes in or extremes of temperature;
 - (3) Disease;
 - (4) Frost or hail; or
 - (5) Rain, snow, ice or sleet.
2. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:
 - a. Animals, and then only if they are killed or their destruction is made necessary.
 - b. Fragile articles such as statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:
 - (1) Glass; or
 - (2) Containers of property held for sale.
 - c. Builders' machinery, tools and equipment owned by you or entrusted to you, provided such property is Covered Property.

However, this limitation does not apply:

 - (1) If the property is located on or within 100 feet of the described premises, unless the premises is insured under the Builders Risk Coverage Form; or

(2) To Business Income Coverage or to Extra Expense Coverage.

3. The special limit shown for each category, **a.** through **d.**, is the total limit for loss of or damage to all property in that category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are (unless a higher limit is shown in the Declarations):

- a.** \$2,500 for furs, fur garments and garments trimmed with fur.
- b.** \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.
- c.** \$2,500 for patterns, dies, molds and forms.
- d.** \$250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are part of, not in addition to, the Limit of Insurance applicable to the Covered Property.

This limitation, **C.3.**, does not apply to Business Income Coverage or to Extra Expense Coverage.

4. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire-extinguishing equipment if the damage:

- a.** Results in discharge of any substance from an automatic fire protection system; or
- b.** Is directly caused by freezing.

However, this limitation does not apply to Business Income Coverage or to Extra Expense Coverage.

D. Additional Coverage – Collapse

The coverage provided under this Additional Coverage, Collapse, applies only to an abrupt collapse as described and limited in **D.1.** through **D.7.**

1. For the purpose of this Additional Coverage, Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.

2. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:

- a.** Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
- b.** Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
- c.** Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation.
- d.** Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:
 - (1) A cause of loss listed in **2.a.** or **2.b.**;
 - (2) One or more of the "specified causes of loss";
 - (3) Breakage of building glass;
 - (4) Weight of people or personal property; or
 - (5) Weight of rain that collects on a roof.

3. This **Additional Coverage – Collapse** does not apply to:

- a.** A building or any part of a building that is in danger of falling down or caving in;
- b.** A part of a building that is standing, even if it has separated from another part of the building; or
- c.** A building that is standing or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

4. With respect to the following property:

- a.** Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;

- b. Awnings, gutters and downspouts;
 - c. Yard fixtures;
 - d. Outdoor swimming pools;
 - e. Fences;
 - f. Piers, wharves and docks;
 - g. Beach or diving platforms or appurtenances;
 - h. Retaining walls; and
 - i. Walks, roadways and other paved surfaces;
- if an abrupt collapse is caused by a cause of loss listed in **2.a.** through **2.d.**, we will pay for loss or damage to that property only if:

- (1) Such loss or damage is a direct result of the abrupt collapse of a building insured under this Coverage Form; and
- (2) The property is Covered Property under this Coverage Form.

5. If personal property abruptly falls down or caves in and such collapse is **not** the result of abrupt collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:
- a. The collapse of personal property was caused by a cause of loss listed in **2.a.** through **2.d.**;
 - b. The personal property which collapses is inside a building; and
 - c. The property which collapses is not of a kind listed in **4.**, regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph **5.** does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

- 6. This Additional Coverage, Collapse, does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- 7. This Additional Coverage, Collapse, will not increase the Limits of Insurance provided in this Coverage Part.
- 8. The term Covered Cause of Loss includes the Additional Coverage, Collapse, as described and limited in **D.1.** through **D.7.**

E. Additional Coverage – Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria

1. The coverage described in **E.2.** and **E.6.** only applies when the "fungus", wet or dry rot or bacteria are the result of one or more of the following causes that occur during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence:

- a. A "specified cause of loss" other than fire or lightning; or
- b. Flood, if the Flood Coverage Endorsement applies to the affected premises.

This Additional Coverage does not apply to lawns, trees, shrubs or plants which are part of a vegetated roof.

2. We will pay for loss or damage by "fungus", wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:

- a. Direct physical loss or damage to Covered Property caused by "fungus", wet or dry rot or bacteria, including the cost of removal of the "fungus", wet or dry rot or bacteria;
- b. The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet or dry rot or bacteria; and
- c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungus", wet or dry rot or bacteria are present.

3. The coverage described under **E.2.** of this Limited Coverage is limited to \$15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) and Flood which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the "fungus", wet or dry rot or bacteria continue to be present or active, or recur, in a later policy period.

4. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

If there is covered loss or damage to Covered Property, not caused by "fungus", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungus", wet or dry rot or bacteria cause an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

5. The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph F.2. (Water Damage, Other Liquids, Powder Or Molten Material Damage) of this Causes Of Loss form or under the Additional Coverage, Collapse.
6. The following, 6.a. or 6.b., applies only if Business Income and/or Extra Expense Coverage applies to the described premises and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable Business Income and/or Extra Expense Coverage Form:
- a. If the loss which resulted in "fungus", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to loss or damage to property caused by "fungus", wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.
 - b. If a covered "suspension" of "operations" was caused by loss or damage other than "fungus", wet or dry rot or bacteria but remediation of "fungus", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

F. Additional Coverage Extensions

1. Property In Transit

This Extension applies only to your personal property to which this form applies.

- a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.
- b. Loss or damage must be caused by or result from one of the following causes of loss:
 - (1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.
 - (2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the roadbed.
 - (3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.
- c. The most we will pay for loss or damage under this Extension is \$5,000.

This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

2. Water Damage, Other Liquids, Powder Or Molten Material Damage

If loss or damage caused by or resulting from covered water or other liquid, powder or molten material damage loss occurs, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. This Coverage Extension does not increase the Limit of Insurance.

3. Glass

- a. We will pay for expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.
- b. We will pay for expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.

This Coverage Extension **F.3.** does not increase the Limit of Insurance.

G. Definitions

- 1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
- 2. "Specified causes of loss" means the following:
 - a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
 - (1) The cost of filling sinkholes; or
 - (2) Sinking or collapse of land into man-made underground cavities.
 - b. Falling objects does not include loss or damage to:
 - (1) Personal property in the open; or
 - (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
 - c. Water damage means:
 - (1) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam; and

- (2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe caused by wear and tear, when the pipe is located off the described premises and is connected to or is part of a potable water supply system or sanitary sewer system operated by a public or private utility service provider pursuant to authority granted by the state or governmental subdivision where the described premises are located.

But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion. Therefore, for example, there is no coverage under this policy in the situation in which discharge or leakage of water results from the breaking apart or cracking of a pipe which was caused by or related to weather-induced flooding, even if wear and tear contributed to the breakage or cracking. As another example, and also in accordance with the terms of the Water Exclusion, there is no coverage for loss or damage caused by or related to weather-induced flooding which follows or is exacerbated by pipe breakage or cracking attributable to wear and tear.

To the extent that accidental discharge or leakage of water falls within the criteria set forth in **c.(1)** or **c.(2)** of this definition of "specified causes of loss," such water is not subject to the provisions of the Water Exclusion which preclude coverage for surface water or water under the surface of the ground.

COMMERCIAL PROPERTY
CP 10 75 12 20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER INCIDENT EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

A. The following exclusion is added to Paragraph B. Exclusions:

We will not pay for loss or damage caused directly or indirectly by the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

Cyber Incident

1. Unauthorized access to or use of any computer system (including electronic data).
2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any computer system (including electronic data) and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any computer system (including electronic data) or otherwise disrupt its normal functioning or operation.
3. Denial of service attack which disrupts, prevents or restricts access to or use of any computer system, or otherwise disrupts its normal functioning or operation.

B. Exceptions And Limitations

1. Fire Or Explosion

If a cyber incident as described in Paragraphs **A.1.** through **A.3.** of this exclusion results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

2. Additional Coverage

The exclusion in Paragraph **A.** does not apply to the extent that coverage is provided in the:

- a. Additional Coverage – Electronic Data; or
- b. Additional Coverage – Interruption Of Computer Operations.

3. Electronic Commerce Endorsement

The exclusion in Paragraph **A.** does not apply to the Electronic Commerce (E-Commerce) endorsement when attached to your policy.

C. Vandalism

The following is added to Vandalism, if Vandalism coverage is not otherwise excluded under the Standard Property Policy or the Causes Of Loss – Basic, Broad or Special Forms and if applicable to the premises described in the Declarations:

Vandalism does not include a cyber incident as described in Paragraph **A.**

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
CP 12 18 10 12**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****LOSS PAYABLE PROVISIONS**

This endorsement modifies insurance provided under the following:

BUILDERS' RISK COVERAGE FORM
 BUILDING AND PERSONAL PROPERTY COVERAGE FORM
 CONDOMINIUM ASSOCIATION COVERAGE FORM
 CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
 STANDARD PROPERTY POLICY

SCHEDULE

Location Number: 2	Building Number: 1	Applicable Clause (Enter C.1., C.2., C.3. or C.4.): C.1.
Description Of Property: Business Personal Property Loss Payee Name: St. Charles Bank & Trust Co Loss Payee Address: 411 W Main St Saint Charles, IL 60174-1815		
Location Number: 1	Building Number: 1	Applicable Clause (Enter C.1., C.2., C.3. or C.4.): C.1.
Description Of Property: Business Personal Property Loss Payee Name: Nextgear Capital Loss Payee Address: 11799 N College Ave, Ste 150 Carmel, IN 46032-5605		
Location Number: 2	Building Number: 1	Applicable Clause (Enter C.1., C.2., C.3. or C.4.): C.1.
Description Of Property: Business Personal Property Loss Payee Name: First National Bank of Brookfield Loss Payee Address: 9136 Washington Ave Brookfield, IL 60513-1346		
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

- A. When this endorsement is attached to the Standard Property Policy **CP 00 99**, the term Coverage Part in this endorsement is replaced by the term Policy.
- B. Nothing in this endorsement increases the applicable Limit of Insurance. We will not pay any Loss Payee more than their financial interest in the Covered Property, and we will not pay more than the applicable Limit of Insurance on the Covered Property.
- C. The following is added to the **Loss Payment** Loss Condition, as indicated in the Declarations or in the Schedule:

1. Loss Payable Clause

For Covered Property in which both you and a Loss Payee shown in the Schedule or in the Declarations have an insurable interest, we will:

- a. Adjust losses with you; and
- b. Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear

2. Lender's Loss Payable Clause

- a. The Loss Payee shown in the Schedule or in the Declarations is a creditor, including a mortgageholder or trustee, whose interest in Covered Property is established by such written instruments as:

- (1) Warehouse receipts;
- (2) A contract for deed;
- (3) Bills of lading;
- (4) Financing statements; or
- (5) Mortgages, deeds of trust, or security agreements.

- b. For Covered Property in which both you and a Loss Payee have an insurable interest:

- (1) We will pay for covered loss or damage to each Loss Payee in their order of precedence, as interests may appear.
- (2) The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the Covered Property.

- (3) If we deny your claim because of your acts or because you have failed to comply with the terms of the Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:

- (a) Pays any premium due under this Coverage Part at our request if you have failed to do so;
- (b) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
- (c) Has notified us of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

All of the terms of this Coverage Part will then apply directly to the Loss Payee.

- (4) If we pay the Loss Payee for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

- (a) The Loss Payee's rights will be transferred to us to the extent of the amount we pay; and
- (b) The Loss Payee's rights to recover the full amount of the Loss Payee's claim will not be impaired.

At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

- c. If we cancel this policy, we will give written notice to the Loss Payee at least:

- (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
- (2) 30 days before the effective date of cancellation if we cancel for any other reason.

- d. If we elect not to renew this policy, we will give written notice to the Loss Payee at least 10 days before the expiration date of this policy.

3. Contract Of Sale Clause

- a. The Loss Payee shown in the Schedule or in the Declarations is a person or organization you have entered into a contract with for the sale of Covered Property.
- b. For Covered Property in which both you and the Loss Payee have an insurable interest, we will:
 - (1) Adjust losses with you; and
 - (2) Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.
- c. The following is added to the **Other Insurance** Condition:

For Covered Property that is the subject of a contract of sale, the word "you" includes the Loss Payee.

4. Building Owner Loss Payable Clause

- a. The Loss Payee shown in the Schedule or in the Declarations is the owner of the described building in which you are a tenant.
- b. We will adjust losses to the described building with the Loss Payee. Any loss payment made to the Loss Payee will satisfy your claims against us for the owner's property.
- c. We will adjust losses to tenants' improvements and betterments with you, unless the lease provides otherwise.

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
CP 15 31 09 17**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ORDINANCE OR LAW – INCREASED PERIOD
OF RESTORATION**

This endorsement modifies insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
EXTRA EXPENSE COVERAGE FORM**SCHEDULE****Described Premises:** Location #1 - Building #1 - Shop**Post-Loss Ordinance Or Law Option:** Yes ☒ No ☐

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. If a Covered Cause of Loss occurs to a building(s) at the premises described in the Schedule, resulting in a "suspension" of "operations" covered under this policy, the "period of restoration" is extended to include the increased period required to comply with the minimum standards of an ordinance or law, provided that:

1. The ordinance or law regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
2. The requirements of the ordinance or law are in force at the time of loss. But if the Post-Loss Ordinance Or Law Option is indicated in the Schedule as being applicable, then Paragraph **A.3.** applies instead of this Paragraph **A.2.**
3. The requirements of the ordinance or law are in force at the time of loss; or the ordinance or law is promulgated or revised after the loss but prior to commencement of reconstruction or repair and provided that such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.

However, coverage is not extended under this endorsement to include loss caused by or resulting from the enforcement of or compliance with any ordinance or law which requires:

1. The demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
2. Any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

B. The following definition is added:

"Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
CP 15 31 09 17**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ORDINANCE OR LAW – INCREASED PERIOD
OF RESTORATION**

This endorsement modifies insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
EXTRA EXPENSE COVERAGE FORM**SCHEDULE****Described Premises:** Location #2 - Building #1 - Shop/Storage/Office**Post-Loss Ordinance Or Law Option:** Yes ☒ No ☐

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. If a Covered Cause of Loss occurs to a building(s) at the premises described in the Schedule, resulting in a "suspension" of "operations" covered under this policy, the "period of restoration" is extended to include the increased period required to comply with the minimum standards of an ordinance or law, provided that:

1. The ordinance or law regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
2. The requirements of the ordinance or law are in force at the time of loss. But if the Post-Loss Ordinance Or Law Option is indicated in the Schedule as being applicable, then Paragraph **A.3.** applies instead of this Paragraph **A.2.**
3. The requirements of the ordinance or law are in force at the time of loss; or the ordinance or law is promulgated or revised after the loss but prior to commencement of reconstruction or repair and provided that such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.

However, coverage is not extended under this endorsement to include loss caused by or resulting from the enforcement of or compliance with any ordinance or law which requires:

1. The demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
2. Any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

B. The following definition is added:

"Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
CP 15 45 09 17**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****UTILITY SERVICES – TIME ELEMENT**

This endorsement modifies insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
EXTRA EXPENSE COVERAGE FORM**SCHEDULE**

Premises Number	Building Number	Utility Services Limit Of Insurance	Enter "X" for each applicable property.					
			Water Supply Property	Waste-water Removal Property	Communication Supply Property (including overhead transmission lines)	Communication Supply Property (not including overhead transmission lines)	Power Supply Property (including overhead transmission lines)	Power Supply Property (not including overhead transmission lines)
1	1	\$ Actual Loss Sustained	X	X		X		X
Causes Of Loss Form Applicable: Special - Incl Theft								
Business Income Waiting Period: _____ Hours (Leave blank if no waiting period applies to Business Income, or if Business Income coverage does not apply.)								
2	1	\$ Actual Loss Sustained	X	X		X		X
Causes Of Loss Form Applicable: Special - Incl Theft								
Business Income Waiting Period: _____ Hours (Leave blank if no waiting period applies to Business Income, or if Business Income coverage does not apply.)								
		\$						
Causes Of Loss Form Applicable:								
Business Income Waiting Period: _____ Hours (Leave blank if no waiting period applies to Business Income, or if Business Income coverage does not apply.)								
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.								

A. Coverage

Your coverage for Business Income and/or Extra Expense, as provided and limited in the applicable Coverage Form, is extended to apply to a "suspension" of "operations" at the described premises caused by an interruption in utility service to that premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss (as provided under the applicable Causes of Loss form indicated in the Schedule) to the property described in Paragraph **E.** if such property is indicated by an "X" in the Schedule.

B. Waiting Period

If a Business Income Waiting Period is indicated in the Schedule, such waiting period begins at the time of interruption of utility service to the described premises.

C. Duration Of Coverage

Coverage under this endorsement applies to loss sustained and expense incurred during the period of time that:

1. Begins:
 - a. Following expiration of the waiting period indicated in the Schedule, for Business Income; or
 - b. At the time of interruption of utility service to the described premises, for Extra Expense (and for Business Income, if a Business Income Waiting Period does not apply); and
2. Ends when:
 - a. "Operations" are fully resumed by any means; or
 - b. "Operations" could be fully resumed with reasonable speed following restoration of utility service to the described premises;

whichever occurs first.

The expiration date of this policy will not cut short the duration of coverage under this endorsement.

The "period of restoration" definition in the Coverage Form, or in any endorsement amending the Coverage Form, does not apply to the coverage provided under this endorsement.

D. Exception

Coverage under this endorsement does not apply to Business Income loss or Extra Expense related to interruption in utility service which causes loss or damage to electronic data, including destruction or corruption of electronic data. The term electronic data has the meaning set forth in the Coverage Form to which this endorsement applies.

E. Utility Services

1. Water Supply Property, meaning the following types of property supplying water to the described premises:

- a. Pumping stations; and
- b. Water mains.

2. Wastewater Removal Property, meaning a utility system for removing wastewater and sewage from the described premises, other than a system designed primarily for draining storm water. The utility property includes sewer mains, pumping stations and similar equipment for moving the effluent to a holding, treatment or disposal facility, and includes such facilities.

Coverage under this endorsement does not apply to interruption in service caused by or resulting from a discharge of water or sewage due to heavy rainfall or flooding.

3. Communication Supply Property, meaning property supplying communication services, including telephone, radio, microwave or television services, to the described premises, such as:

- a. Communication transmission lines, including optic fiber transmission lines;
- b. Coaxial cables; and
- c. Microwave radio relays except satellites.

It does not include overhead transmission lines unless indicated by an "X" in the Schedule.

4. Power Supply Property, meaning the following types of property supplying electricity, steam or gas to the described premises:

- a. Utility generating plants;
- b. Switching stations;
- c. Substations;

- d. Transformers; and
- e. Transmission lines.

It does not include overhead transmission lines unless indicated by an "X" in the Schedule.

- F. As used in this endorsement, the term transmission lines includes all lines which serve to transmit communication service or power, including lines which may be identified as distribution lines.

- G. The **Coinsurance** Additional Condition does not apply to this endorsement.

- H. The Utility Services Limit Of Insurance, as shown in the Schedule, is the only Limit which applies to the coverage provided under this endorsement, and is part of, not in addition to, the Limit Of Insurance stated in the Declarations as applicable to the described premises.

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
CP 15 56 06 07**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****BUSINESS INCOME CHANGES –
BEGINNING OF THE PERIOD OF RESTORATION**

This endorsement modifies insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM**SCHEDULE****Select Either A. Or B.**A. ☐ **72-Hour Time Period Is Replaced By 24 Hours**B. ☒ **72-Hour Time Period Is Eliminated**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. If the Schedule indicates that the 72-hour time period is replaced by 24 hours, then:

1. The 72-hour time period in the definition of "period of restoration" is replaced by 24 hours. Therefore, the period of restoration for Business Income Coverage begins 24 hours after the time of direct physical loss or damage, subject to all other provisions of the definition of "period of restoration"; and
2. The 72-hour time period in the Civil Authority Additional Coverage is replaced by 24 hours. Therefore, coverage under the Additional Coverage – Civil Authority begins 24 hours after the time of action of civil authority, subject to all other provisions of that Additional Coverage.

B. If the Schedule indicates that the 72-hour time period is eliminated, then:

1. The 72-hour time period in the definition of "period of restoration" is deleted. Therefore, the period of restoration for Business Income Coverage begins at the time of direct physical loss or damage, subject to all other provisions of the definition of "period of restoration"; and
2. The 72-hour time period in the Civil Authority Additional Coverage is deleted. Therefore, coverage under the Additional Coverage – Civil Authority begins at the time of action of civil authority, subject to all other provisions of that Additional Coverage.

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
WB 1337 01 18**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****WATER BACK-UP AND SUMP PUMP OVERFLOW**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
 BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
 BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
 CONDOMINIUM ASSOCIATION COVERAGE FORM
 CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
 EXTRA EXPENSE COVERAGE FORM

SCHEDULE

Policy Limit of Insurance (Annual Aggregate Limitation Applies)	
\$ 50,000	
Separate Premises Option <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Premises Number	Limit Of Insurance (Annual Aggregate Limitation Applies)
	\$
	\$
	\$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. We will pay for direct physical loss or damage, not caused by your negligence, to Covered Property caused by or resulting from:

1. Water or waterborne material which backs up through or overflows or is otherwise discharged from a sewer or drain; or
2. Water or waterborne material which overflows or is otherwise discharged from a sump, sump pump or related equipment, even if the overflow or discharge results from mechanical breakdown of a sump pump, or its related equipment.

B. With respect to the coverage provided under this endorsement, **Exclusion B.1.g. Water** in CAUSES OF LOSS – BASIC FORM; CAUSES OF LOSS – BROAD FORM; CAUSES OF LOSS – SPECIAL FORM is replaced by the following:

1. Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
2. Mudslide or mudflow;

3. Water under the ground surface pressing on, or flowing or seeping through:

- a. Foundations, walls, floors or paved surfaces;
- b. Basements, whether paved or not;
- c. Doors, windows or other openings; or

4. Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **1.** or **3.**, or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs **1.** through **4.**, is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if any of the above, in Paragraphs **1.** through **4.**, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage (if sprinkler leakage is a Covered Cause of Loss).

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C. Business Income And Extra Expense

We will pay for business income loss and/or extra expense in accordance with the terms of the Coverage Form applicable to such premises under your policy, when such loss or expense arises out of the direct physical loss or damage described in Paragraph A.

D. Limits Of Insurance**1. Policy Limit**

The most we will pay, for the coverage provided under this endorsement for the total of all direct physical loss or damage and business income and/or extra expense occurring during the policy term is the Policy Limit indicated in the Schedule. This limit does not apply separately to each location.

2. Premises Limit

If the Schedule indicates that the Separate Premises Option applies, then the most we will pay for the coverage provided under this endorsement for the total of all direct physical loss or damage and business income and/or extra expense occurring during the policy term is the Limit Of Insurance, as indicated for each premises. The Limit Of Insurance applies separately to each premises described in the Schedule.

E. Annual Aggregate Limitation

The most we will pay for the total of all direct physical loss or damage sustained and business income and/or extra expense caused by all occurrences in a 12-month period (starting with the beginning of the present annual policy period), regardless of the number of occurrences during that period of time, is the Policy Limit Of Insurance or the Premises Limit Of Insurance described in the Schedule.

With respect to an occurrence which begins in one policy year and continues or results in additional direct physical loss or damage, loss of business income, or extra expense you incur in a subsequent policy year(s), all direct physical loss or damage, loss of business income, or extra expense you incur is deemed to be sustained in the policy year in which the occurrence began.

F. Section D. Deductible applies.**G. For the purposes of this endorsement, the term drain includes a roof drain and related fixtures.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**BUSINESS INCOME COVERAGE
ACTUAL LOSS SUSTAINED
(TWELVE MONTH LIMITATION)**

This endorsement modifies insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

1. Coverage is provided for Business Income (and Extra Expense) including "Rental Value".
2. Paragraph **B. LIMITS OF INSURANCE** is replaced by the following:
The most we will pay for loss in any one occurrence is the actual loss of business income you sustained, not to exceed 12 consecutive months after the date of direct physical loss or damage.
3. All reference to coinsurance in the coverage form is deleted.

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
WB 2906 12 20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PROPERTY ADDITIONAL COVERAGES AND COVERAGE
EXTENSIONS ENDORSEMENT**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT OWNERS COVERAGE FORM**SCHEDULE**☒ **ESSENTIAL** ☐ **ELITE**

COVERAGE EXTENSIONS	LIMITS OF INSURANCE OR TERMS AND CONDITIONS CHANGE	
COVERAGE		
Accounts Receivable	\$ 250,000	At Each Premises
	\$ 5,000	At Premises Not Described
Appurtenant Structures	\$ 5,000	Policy Limit
Building Material Theft – Non-owned Premises	\$ 5,000	Policy Limit
Ordinance Or Law – Building Or Tenant's Improvements And Betterments	Replacement Cost Valuation Required	
	The Lesser of \$ 100,000 or 20% of the Limit of Insurance	Combined Demolition Cost & Increased Cost Of Construction
Electronic Data Processing Equipment and Software	\$ 25,000	At Each Premises
Fine Arts	\$ 25,000	At Each Premises
Increase In Rebuilding Expenses Following Disaster	15%	Additional Expense Coverage/At Each Premises
Lock And Key Replacement	\$ 2,500	Any One Occurrence
Newly Acquired Or Constructed Property		
Building	\$ 1,000,000	At Each Building
Business Personal Property	\$ 500,000	At Each Building
Period Of Coverage	30	Days
Outdoor Fences	Included	
Outdoor Property		
Maximum In Any One Occurrence	\$ 10,000	Any One Occurrence
Maximum Per Tree, Shrub Or Plant	\$ 1,000	Any One Occurrence
Outdoor Signs		
Attached	Included	
Detached	\$ 20,000	At Each Premises

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Personal Property		
Off-premises	\$ 100,000	Up To 90 Days
In Transit	Refer to this Endorsement	Policy Occurrence
Personal Effects	\$ 50,000	At Each Premises
	\$ 2,500	Employee Tools Maximum / At Each Premises
Personal Property Of Others	\$ 25,000	At Each Premises
	\$ 2,500	Employee Tools Maximum / At Each Premises
Portable Tools	Actual Cash Value Coverage	
Maximum In Any One Occurrence	\$ 25,000	Any One Occurrence
Maximum To You Or Any Employee	\$ 5,000	Any One Occurrence
Premises Boundary		Distance Limitation Increased To 1,000 Feet
Property At Fairs Or On Exhibition	\$ 50,000	Any One Occurrence
Property In Custody Of Sales Representatives	\$ 25,000	Any One Occurrence
Rewards	\$ 50,000	Any One Occurrence
Spoilage	\$ 10,000	At Each Premises
Valuable Papers And Records (Other Than Electronic Data)	\$ 250,000	At Each Premises
	\$ 5,000	At Premises Not Described
Water Back Up; Sump Pump Overflow	\$ 5,000	Per Policy / Annual Aggregate
ADDITIONAL COVERAGES		
Business Crime		
Computer Fraud And Funds Transfer Fraud	\$ 5,000	Any One Occurrence
Employee Theft	\$ 10,000	Any One Occurrence
Forgery Or Alteration	\$ 10,000	Any One Occurrence
Identity Theft Expense	\$ 50,000	Policy Period
Kidnap Expense	\$ 50,000	Policy Period
Money And Securities	\$ 5,000	Inside The Premises – Any One Occurrence
	\$ 5,000	Outside The Premises – Any One Occurrence
Money Orders And Counterfeit Money	\$ 5,000	Any One Occurrence
Business Income & Extra Expense	\$ 25,000	At Each Premises
Business Income & Extra Expense		
Civil Authority	None	Waiting Period
Lost Lease Protection	\$ 5,000	Policy Period
Business Income From Dependent Properties	\$ 25,000	Any One Occurrence
Business Travel Accidental Death Benefit	\$ 50,000	Policy Period
Conference Cancellation	\$ 25,000	Policy Period
Debris Removal Additional Limit	\$ 50,000	At Each Location
Donation Assurance	\$ 50,000	Policy Period
Emergency Real Estate Consulting Fee	\$ 50,000	Policy Period
Fire Department Service Charge	\$ 250,000	At Each Premises

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Fire Extinguisher System Recharge Expense	Included	
Fundraising Event Blackout	\$ 25,000	Policy Period
Image Restoration Counseling	\$ 50,000	Policy Period
Officers Or Directors Replacement Expenses	\$ 50,000	Policy Period
Peak Season	100%	Not Applicable To Value Reporting or Blanket
Political Unrest Coverage	\$ 50,000	Policy Period
Pollutant Cleanup And Removal	\$ 25,000	At Each Premises / Annual Aggregate
Temporary Meeting Space Rental	\$ 25,000	Policy Period
Terrorism Travel Reimbursement	\$ 50,000	Policy Period
Travel Delay Reimbursement	\$ 1,500	Per Policy Period / 72 Hour Waiting Period
Underground Pipes, Flues And Drains	Covered Property	
Utility Services Failure – Off Premises	Excluding Overhead Lines	
Workplace Violence Counseling	\$ 50,000	Policy Period

This Limit Of Insurance or Term And Condition is in addition to any other insurance provided by this endorsement and is the most we will apply for loss or damage for the indicated Coverage.

Coverage provided by this endorsement is subject to the Cause of Loss Form attached to this policy and the policy's Deductible provision unless otherwise noted.

Coverages provided by this endorsement are in excess of any other specific coverages that are provided in other Coverage Parts or other Policies, provided by West Bend Mutual Insurance Company.

A. Premises Boundary

1. When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form, under **Section A.1. Covered Property**:

Item **a.** Building, Paragraph **(5)(b)**; item **b.** Your Business Personal Property; item **c.** Personal Property Of Others, Paragraph **(2)**, the distance limitation is amended to read within 1,000 feet of the described premises.

Under **Section A.5. Coverage Extensions** the distance limitation in the first Paragraph is amended to read within 1,000 feet of the described premises.

2. When this endorsement is attached to Condominium Commercial Unit-Owners Coverage Form under **Section A.1. Covered Property**:

Item **a.** Your Business Personal Property; Item **b.(2)** Personal Property Of Others, the distance limitation is amended to read within 1,000 feet of the described premises.

Under **Section A.5. Coverage Extensions** the distance limitation in the first Paragraph is amended to read within 1,000 feet of the described premises.

3. When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form, under **Section A.1. Covered Property** Item **a.** Building, the following is added:

(6) Appurtenant structures

The most we will pay under this Additional Coverage is the Limit of Insurance shown in the Schedule.

B. Under **Section A.2. Property Not Covered**:

1. Paragraph **a.** is deleted and replaced by:
 - a.** Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities except as provided in the Coverage Extensions. Lottery tickets held for sale are not securities.

2. When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form, and Building coverage applies, Paragraph **m.** is deleted.

3. When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form, Paragraph **q.(2)** is deleted and replaced by:

Radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), all except as provided in the Coverage Extensions.

4. When this endorsement is attached to Condominium Commercial Unit-Owners Coverage Form, Paragraph **k.(2)** is deleted and replaced by:

Radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), all except as provided in the Coverage Extensions.

C. Under **Section A.4. Additional Coverages**

In addition to the Limits Of Insurance under the Building and Personal Property Coverage Form, Condominium Association Coverage Form, or Condominium Commercial Unit-Owners Coverage Form you may extend the insurance provided by this policy to these Additional Coverages.

Unless otherwise indicated, the Limits Of Insurance provided by these Additional Coverages are in addition to **Section C. Limits Of Insurance**.

Unless otherwise indicated **Section D. Deductible** applies to these Additional Coverages.

1. Paragraph **4.a. Debris Removal** is deleted and replaced by:

a. Debris Removal

- (1)** Subject to Paragraphs **(2)**, **(3)** and **(4)**, we will pay your expense to remove debris of Covered Property and other debris that is on the described premises, when such debris is caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.

(2) Debris Removal does not apply to costs to:

- (a) Remove debris of property of yours that is not insured under this policy, or property in your possession that is not Covered Property.
- (b) Remove debris of property owned by or leased to the landlord of the building where your described premises are located, unless you have a contractual responsibility to insure such property and it is insured under this policy;
- (c) Remove any property that is Property Not Covered, including property addressed under the Outdoor Property Coverage Extension;
- (d) Remove property of others of a type that would not be Covered Property under this Coverage Form;
- (e) Remove deposits of mud or earth from the grounds of the described premises;
- (f) Extract "pollutants" from land or water; or
- (g) Remove, restore or replace polluted land or water.

(3) Subject to the exceptions in Paragraph (4) the following provisions apply:

- (a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
- (b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage. However, if no Covered Property has sustained direct physical loss or damage, the most we will pay for removal of debris of other property (if such removal is covered under this Additional Coverage) is \$5,000 at each location.

(4) We will pay up to the additional amount indicated in the Schedule for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:

- (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
- (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if (4)(a) and/or (4)(b) apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus the Limit of Insurance shown in the Schedule.

2. Paragraph c. **Fire Department Service Charge** is deleted and replaced by:

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to the Limit of Insurance shown in the Schedule for service at each premises described in the Declarations, unless a higher limit is shown in the Declarations. Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

This Additional Coverage applies to your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

Section D. Deductible does not apply to this Additional Coverage.

3. Paragraph **d. Pollutant Clean Up And Removal** is deleted and replaced by:

d. Pollutant Clean-up And Removal

We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

The Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each described premises is the Limit of Insurance shown in the Schedule for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

D. The following coverages are added to **Section A.4. Additional Coverages**:

Unless otherwise indicated, the Limits Of Insurance provided by these Additional Coverages are in addition to **Section C. Limits Of Insurance**.

Unless otherwise indicated **Section D. Deductible** applies to these Additional Coverages.

4. Additional Coverages

g. Business Crime

Coverage 1 – Computer Fraud And Funds Transfer Fraud

We will pay up to the Limit of Insurance shown in the Schedule in any one "occurrence":

- (1) Loss resulting directly from a fraudulent:
 - (a) Entry of "electronic data" or "computer program" into; or
 - (b) Change of "electronic data" or computer program within:
any "computer system" owned, leased or operated by you, provided the fraudulent entry or fraudulent charge causes, with regard to Paragraphs **g.(1)(a)** and **g.(1)(b)** above:

(i) "Money, "securities" or "other property" to be transferred, paid or delivered; or

(ii) Your account at a "financial institution" to be debited or deleted.

- (2) Loss resulting directly from a "fraudulent instruction" directing a "financial institution" to debit your transfer account" and to transfer, pay or deliver "money" or "securities" from that account.
- (3) As used in Paragraph **g.(1)** above, fraudulent entry or fraudulent change of "electronic data" or "computer program" shall include such entry or change made by an "employee" acting, in good faith, upon a "fraudulent instruction" received from a computer software contractor who has a written agreement with you to design, implement or service "computer programs" for a computer system" covered under this policy.

We will not pay for:

- (1) Loss resulting from a fraudulent:
 - (a) Entry of "electronic data" or "computer program" into; or
 - (b) Change of "electronic data" or computer program within:
any "computer system" owned, leased or operated by you by a person or organization with authorized access to that "computer system", except when covered under Paragraphs **g.(1)(a)** and **g.(1)(b)** above.
- (2) Loss resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored-value or other cards or the information contained on such cards.
- (3) Loss resulting from the giving or surrendering of property in any exchange or purchase.
- (4) Loss resulting from an "employee" or "financial institution" acting upon any instruction to:
 - (a) Transfer, pay or deliver "money", "securities" or "other property", or
 - (b) Debit or delete your account;
which instruction proves to be fraudulent, except when covered under **g.(2)** above.
- (5) Loss, or that part of any loss, the proof of which is to be existence or amount is dependent upon:

- (a) An inventory computation; or
- (b) A profit and loss computation.

Coverage 2 – Identity Theft Expense

We will reimburse any present director or officer of the named insured, for "identity theft expenses" incurred as the direct result of any "identity theft" first discovered and reported during the policy period, provided that it began to occur subsequent to the effective date of the insured's first policy with us.

The Limit of Insurance for this coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

Coverage 3 – Kidnap Expense

We will pay on behalf of any officer or director of the insured, reasonable fees incurred as a result of the kidnapping of them or their spouse, "domestic partner", parent or child during the policy period. Coverage will not apply to any kidnapping by or at the direction of any present or former family member of the victim.

Reasonable fees include:

- (1) Fees and expenses of an independent negotiator or consultant retained with prior approval from us;
- (2) Costs of travel and accommodations incurred by the named insured which become necessary due to the applicable kidnapping;
- (3) The reward paid by the named insured, which is pre-approved by us, to an informant for information not otherwise available which leads to the arrest and conviction of persons responsible for any damages under this policy; and
- (4) The current salary of your officer or director who is kidnapped.

Salary shall be paid for a period commencing upon abduction and ceasing upon:

- (1) The release of the employee or discovery of the death of the employee; or
- (2) 120 days after we receive the last credible evidence that the "employee" is still alive; or
- (3) Twelve (12) months after the date of the kidnapping; or
- (4) The exhaustion of the kidnap expense limit,

whichever comes first.

The Limit of Insurance for this coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

Coverage 4 – Employee Theft

We will pay up to the Limit of Insurance shown in the Schedule in any one "occurrence" for loss of or damage to "money", "securities" and "other property" resulting directly from "theft" committed by an "employee", whether identified or not, acting alone or in collusion with other persons.

For the purposes of this coverage, "theft" shall also include forgery.

Coverage 5 – Forgery Or Alteration

We will pay up to the Limit of Insurance shown in the Schedule in any one "occurrence" for loss resulting directly from "forgery" or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:

- (1) Made or drawn by or drawn upon you; or
- (2) Made or drawn by one acting as your agent;

or that are purported to have been so made or drawn.

For the purposes of this coverage, a substitute check as defined in the Check Clearing for the 21st Century Act shall be treated the same as the original it replaced.

If you are sued for refusing to pay any instrument covered above, on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense. The amount that we will pay is in addition to the Limit of Insurance applicable to this coverage.

Coverage 6 – Money And Securities

We will pay up to the Limit of Insurance shown in the Schedule in any one "occurrence" for loss of "money" and "securities" inside the "premises" or "financial institution premises" resulting directly from "theft", disappearance or destruction.

We will pay up to the Limit of Insurance shown in the Schedule in any one "occurrence", for loss of "money" and "securities" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from "theft", disappearance or destruction.

Coverage 7 – Money Orders and Counterfeit Money

We will pay up to the Limit of Insurance shown in the Schedule in any one "occurrence" for loss resulting directly from your having, in good faith, accepted in exchange for merchandise, "money" or services:

- (a) Money orders issued by any post office, express company or "financial institution" that are not paid upon presentation; or
- (b) "Counterfeit money" that is acquired during the regular course of business.

Under Business Crime **Coverage 1** – Computer Fraud And Funds Transfer Fraud, **Coverage 2** – Identity Theft Expense, **Coverage 3** – Kidnap Expense, **Coverage 4** – Employee Theft, **Coverage 5** – Forgery Or Alteration, **Coverage 6** – Money And Securities and **Coverage 7** – Money Orders And Counterfeit Money we will not pay for:

- (1) Loss resulting from "theft" or any other dishonest act committed by:
 - (a) You; or
 - (b) Any of your partners or "members"; whether acting alone or in collusion with other persons.
- (2) Loss resulting from "theft" or any other dishonest act committed by any of your "employees", "managers", directors, trustees or authorized representatives:
 - (a) Whether acting alone or in collusion with other persons; or
 - (b) While performing services for you or otherwise;
 except when covered under **Coverage 4** – Employee Theft.

- (3) Loss that is an indirect result of an "occurrence" covered by this insurance including, but not limited to, loss resulting from:
 - (a) Your inability to realize income that you would have realized had there been no loss of or damage to "money", "securities" or "other property".
 - (b) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this insurance; or
 - (c) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.
- (4) Fees, costs and expenses incurred by you which are related to any legal action, except when covered under **Coverage 5** – Forgery or Alteration.
- (5) Loss involving virtual currency of any kind, by whatever name known, whether actual or fictitious including, but not limited to, digital currency, crypto currency or any other type of electronic currency.

Under **Coverage 4** – Employee Theft, we will not pay for:

- (1) Loss caused by an "employee" if the "employee" had also committed "theft" or any other dishonest act prior to the effective date of this insurance and you or any of your partners, "members", "managers", officers, directors or trustees, not in collusion with the "employee", learned of such "theft" or dishonest act prior to the Policy Period shown in the Declarations.
- (2) Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
 - (a) An inventory computation; or
 - (b) A profit and loss computation.
 However, where you establish wholly apart from such computations, that you have sustained a loss, then you may offer your inventory records and actual physical count of inventory in support of the amount of loss claimed.
- (3) Loss resulting from trading, whether in your name or in a genuine or fictitious account.

- (4) Loss resulting from fraudulent or dishonest signing, issuing, canceling or failing to cancel, a warehouse receipt or any papers connected with it.

Under **Coverage 6 – Money & Securities** we will not pay for:

- (1) Loss resulting from accounting or arithmetical errors or omissions.
- (2) Loss resulting from the giving or surrendering of property in any exchange or purchase.
- (3) Loss of property contained in any money operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.
- (4) Loss of or damage to property after it has been transferred or surrendered to a person or place outside the "premises" or "financial institution premises":
 - (a) On the basis of unauthorized instructions; or
 - (b) As a result of a threat including, but not limited to:
 - (i) A threat to do bodily harm to any person; or
 - (ii) A threat to do damage to any property;
 - (iii) A threat to introduce a denial of service attached into any computer system;
 - (iv) A threat to introduce a virus or other malicious instruction into any computer system which is designed to damage, destroy or corrupt "electronic data" or "computer programs" stored within the "computer system";
 - (v) A threat to contaminate, pollute or render substandard your products or goods; or
 - (vi) A threat to disseminate, divulge or utilize:
 - (a) Your confidential information;
 - (b) Confidential or personal information of another person or organization; or
 - (c) Weaknesses in the source code within any "computer system".

However, this exclusion does not apply to loss of "money", "securities" or "other property" while outside the "premises" in the care and custody of a "messenger" if you:

- (a) Had no knowledge of a threat at the time the conveyance began; or
- (b) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.

The following Conditions apply to **Business Crime** in addition to the **Common Policy Conditions** and **Commercial Property Conditions**.

Termination As To Any Employee

This insurance terminates as to any "employee" as soon as:

- (a) You; or
- (b) Any of your partners, "members", "managers", officers, directors or trustees not in collusion with the "employee";

learn of "theft" or any other dishonest act committed by the "employee" whether before or after becoming employed by you.

Extended Period To Discover Loss

- (1) We will pay for loss that you sustained prior to the effective date of cancellation of this insurance, which is "discovered" by you no later than one year from the date of that cancellation.
- (2) However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by you, whether from us or another insurer, replacing in whole or in part the coverage afforded hereunder, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

Subject to the conditions **Loss Sustained Partly During This Insurance And Partly During Prior Insurance; and Loss Sustained Entirely During Prior Insurance:**

We will pay if you sustain loss resulting directly from an "occurrence" taking place during the Policy Period shown in the Declarations which is "discovered" by you during the Policy Period shown in the Declarations or during the period of time provided in the **Extended Period To Discover Loss** condition.

Loss Sustained Partly During This Insurance And Partly During Prior Insurance

If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place:

- (1) Partly during the Policy Period shown in the Declarations; and
- (2) Partly during the policy period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest;

and this insurance became effective at the time of cancellation of the prior insurance, we will first settle the amount of loss that you sustained during this Policy Period. We will then settle the remaining amount of loss that you sustained during the policy period(s) of the prior insurance.

The most we will pay for the entire loss is the highest single Limit of Insurance applicable during the period of loss, whether such limit was written under this insurance or was written under the prior insurance issued by us.

Loss Sustained Entirely During Prior Insurance

If you "discover" loss during the Policy Period shown in the Declarations resulting directly from an "occurrence" taking place entirely during the policy period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest, we will pay for the loss, provided:

- (1) This insurance became effective at the time of cancellation of the prior insurance; and
- (2) The loss would have been covered under this insurance had it been in effect at the time of the "occurrence".

We will first settle the amount of loss that you sustained during the most recent prior insurance. We will then settle any remaining amount of loss that you sustained during the policy period(s) of any other prior insurance.

The most we will pay for the entire loss is the highest single Limit of Insurance applicable during the period of loss, whether such limit was written under this insurance or was written under the prior insurance issued by us.

Records

You must keep records of all property covered under this insurance so we can verify the amount of any loss.

Recoveries

- (1) Any recoveries, whether effected before or after any payment under this insurance, whether made by us or you, shall be applied net of the expense of such recovery:
 - (a) First, to you in satisfaction of your covered loss in excess of the amount paid under this insurance;
 - (b) Second, to us in satisfaction of amounts paid in settlement of your claim;
 - (c) Third, to you in satisfaction of any Deductible Amount; and
 - (d) Fourth, to you in satisfaction of any loss not covered under this insurance.
- (2) Recoveries do not include any recovery:
 - (a) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
 - (b) Of original "securities" after duplicates of them have been issued.

Valuation – Settlement

- (1) We will pay for:
 - (a) Loss of "money" but only up to and including its face value. We will, at your option, pay for loss of "money" issued by any country other than the United States of America.
 - (i) At face value in the "money" issued by that country; or
 - (ii) In the United States of America dollar equivalent determined by the rate of exchange published in the Wall Street Journal on the day the loss was "discovered".
 - (b) Loss of "securities" but only up to and including their value at the close of business on the day the loss was "discovered". We may, at our option:
 - (i) Pay the value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or

(ii) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:

(a) Market Value of the "securities" at the close of business on the day the loss was "discovered"; or

(b) The Limit of Insurance applicable to the "Securities".

(c) Loss of or damage to "other property" or loss from damage to the "premises" or its exterior for the replacement cost of the property without deduction for depreciation. However, we will not pay more than the least of the following:

(i) The Limit of Insurance applicable to the lost or damaged property;

(ii) The cost to replace the lost or damaged property with property of comparable material and quality and used for the same purpose; or

(iii) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

We will not pay on a replacement cost basis for any loss or damage:

(i) Until the lost or damaged property is actually repaired or replaced; and

(ii) Unless the repairs or replacement is made as soon as reasonably possible after the loss or damage.

If the lost or damaged property is not repaired or replaced, we will pay on an actual cash value basis.

(2) We will, at your option, pay for loss or damage to such property:

(a) In the "money" of the country in which the loss or damage occurred; or

(b) In the United States of America dollar equivalent of the "money" of the country in which the loss or damage was sustained, determined by the rate of exchange published in The Wall Street Journal on the day the loss was "discovered".

(3) Any property that we pay for or replace becomes our property.

The following Condition applies to **Coverage 4 – Employee Theft.**

Territory

We will pay for loss caused by any "employee" while temporarily outside the territory specified in the Commercial Property Conditions for a period of not more than 90 consecutive days.

The following Condition applies to **Coverage 5 – Forgery or Alteration.**

(1) The Deductible Amount does not apply to legal expenses paid under **Coverage 5 – Forgery or Alteration** coverage.

(2) We will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.

(3) You must include with your proof of loss any instrument involved in that loss, or, if that is not possible, an affidavit setting forth the amount and cause of loss.

(4) We will cover loss you sustain resulting directly from an "occurrence" taking place within the coverage territory. We also provide coverage in a country that is not the subject of trade embargos, economic sanctions or other trade restrictions by the government of the United States of America.

The following Condition applies to **Coverage 6 – Theft of Money and Securities – Outside the Premises.**

Armored Motor Vehicle Companies

We will only pay for the amount of loss you cannot recover:

(1) Under your contract with the armored motor vehicle company; and

(2) From any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

The following **Definitions** apply to **Business Crime** in addition to the Definitions in the Building and Personal Property Coverage Form, Condominium Association Coverage Form, and Condominium Commercial Unit Owners Coverage Form.

- (1) "Computer program" means a set of related electronic instructions, which direct the operation and function of a computer or devices connected to it, which enable the computer or devices to receive, process, store or send "electronic data".
- (2) "Computer system" means:
 - (a) Computers, including Personal Digital Assistants (PDAs) and other transportable or handheld devices, electronic storage devices and related peripheral components;
 - (b) Systems and applications software; and
 - (c) Related communications networks; by which "electronic data" is collected, transmitted, processed, stored or retrieved.
- (3) "Counterfeit money" means an imitation of "money" which is intended to deceive and to be taken as genuine.
- (4) "Discover" or "discovered" means the time when you first become aware of facts which would cause a reasonable person to assume that a loss of a type covered by this insurance has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact amount or details of loss may not then be known.
 "Discover" or "discovered" also means the time when you first receive notice of an actual or potential claim in which it is alleged that you are liable to a third party under circumstances which, if true, would constitute a loss under this insurance.
- (5) "Electronic data" means information, facts, images or sounds stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software) on data storage devices, including hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

(6) "Employee"

(a) Employee means:

(i) Any natural person:

- (a) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to "theft" or any dishonest act committed by the "employee";
- (b) Whom you compensate directly by salary, wages or commissions; and
- (c) Whom you have the right to direct and control while performing services for you;

(ii) Any natural person who is furnished temporarily to you:

- (a) To substitute for a permanent "employee" as defined in Paragraph (i) above, who is on leave; or
- (b) To meet seasonal or short-term work load conditions;

while that person is subject to your direction and control and performing services for you;

(iii) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph (ii) above;

(iv) Any natural person who is a trustee, officer, employee, administrator or manager, except an administrator or manager who is an independent contractor.

(v) Any natural person who is a former "employee", partner, "member", "manager", director or trustee retained by you as a consultant while performing services for you;

(vi) Any natural person who is a guest student or intern pursuing studies or duties;

(vii) Any natural person employed by an entity merged or consolidated with you prior to the effective date of this insurance; and

(viii) Any natural person who is your "manager", director or trustee while:

- (a) Performing acts within the scope of the usual duties of an "employee"; or
 - (b) Acting as a member of any committee duly elected or appointed by resolution of your board of directors or board of trustees to perform specific, as distinguished from general, directorial acts on your behalf.
- (b) "Employee" does not mean any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character not specified in Paragraph (iii) above.
- (7) "Financial institution" under Paragraph **g. Business Crime, Coverage 6 – Money And Securities** means:
- (a) A bank, savings bank, savings and loan association, trust company, credit union or similar depository institution; or
 - (b) An insurance company.
- (8) "Financial institution" under Paragraph **g. Business Crime, Coverage 1 – Computer Fraud And Funds Transfer Fraud** means:
- (a) A bank, savings bank, savings and loan association, trust company, credit union or similar depository institution; or
 - (b) An insurance company; or
 - (c) A stock brokerage firm or investment company
- (9) "Financial institution premises" means the interior of that portion of any building occupied by a "financial institution".
- (10) "Forgery" means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.
- (11) "Fraudulent instruction" under Paragraph **g. Business Crime, Coverage 1 – Computer Fraud And Funds Transfer Fraud Paragraph (1)** means:
- (a) A computer, telefacsimile, telephone or other electronic instruction directing a "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that "transfer account", which instruction purports to have been issued by your, but which in fact was fraudulently issued by someone else without your knowledge or consent; or
 - (b) A written instruction issued to a "financial institution" directing the "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that "transfer account", through an electronic funds transfer system at specified times or under specified conditions, which instruction purports to have been issued by you, but which in fact was issued, forged or altered by someone else without your knowledge or consent.
- (12) "Fraudulent instruction" under Paragraph **g. Business Crime, Coverage 1 – Computer Fraud and Funds Transfer Fraud Paragraph (2)** means:
- A computer, telefacsimile, telephone or other electronic, written or voice instruction directing an "employee" to enter or change "electronic data" or "computer programs" within a "computer system" covered under this insurance, which instruction in fact was fraudulently issued by your computer software contractor.
- (13) "Identity theft" means the act of knowingly transferring or using without lawful authority a means of identification of any Officer or Director (or spouse thereof) of the named insured with the intent to commit or to aid or abet another to commit any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.
- (14) "Identity theft expenses" means:
- (a) Costs for notarizing fraud affidavits or similar documents for financial institutions or similar credit grantors or credit agencies that have required that such affidavits be notarized.
 - (b) Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors.

- (c) Loan application fees for re-applying for loan or loans when the original application is rejected solely because the lender received incorrect credit information due to "identity theft".
- (15) "Manager" means a natural person serving in a directional capacity for a limited liability company.
- (16) "Member" means an owner of a limited liability company represented by its membership interest, who, If a natural person, also may serve as a "manager".
- (17) "Messenger" means you, or a relative, or any of your partners or "members", or any "employee" while having care and custody of property outside the "premises".
- (18) "Money" means:
- (a) Currency, coins, bank notes in current use and having a face value;
 - (b) Travelers checks, and money orders held for sale to the public; and
 - (c) Deposits in your account at any "financial institution".
- (19) "Occurrence" means:
- (a) As respects to **Coverage 4 – Employee Theft**:
 - (i) An individual act;
 - (ii) The combined total of all separate acts whether or not related; or
 - (iii) A series of acts whether or not related;

committed by an "employee" acting alone or in collusion with other persons, during the Policy Period shown in the Declarations, except as provided under Paragraph **g**. Business Crime Condition **Loss Sustained During Prior Insurance Issued By Us Or Any Affiliate** or **Loss Sustained During Prior Insurance Not Issued By Us Or Any Affiliate**.
 - (b) As respects to **Coverage 5 – Forgery or Alteration**, all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments.
 - (i) An individual act;
 - (ii) The combined total of all separate acts whether or not related; or
- (iii) A series of acts whether or not related;
- committed by a person acting alone or in collusion with other persons, involving one or more instruments, during the Policy Period shown in the Declarations, except as provided under Paragraph **g**. Business Crime Condition **Loss Sustained During Prior Insurance Issued By Us Or Any Affiliate** or **Loss Sustained During Prior Insurance Not Issued By Us Or Any Affiliate**.
- (c) As respects to **Coverage 1 – Computer Fraud and Funds Transfer Fraud**, **Coverage 6 – Theft of Money and Securities Inside the Premises and Outside the Premises**, and **Coverage 7 – Money Orders and Counterfeit Money**
- (i) An individual act or event;
 - (ii) The combined total of all separate acts or events whether or not related; or
 - (iii) A series of acts or events whether or not related;

committed by a person acting alone or in collusion with other persons, or not committed by any person, during the Policy Period shown in the Declarations, except as provided under Paragraph **g**. Business Crime Condition **Loss Sustained During Prior Insurance Issued By Us Or Any Affiliate** or **Loss Sustained During Prior Insurance Not Issued By Us Or Any Affiliate**.
- (20) "Other property" means any tangible property other than "money" and "securities" that has intrinsic value. "Other property" does not include "computer programs", "electronic data" or any property specifically excluded under this insurance.
- (21) "Premises" means the interior of that portion of any building you occupy in conducting your business.
- (22) "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or property and includes:
- (a) Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and

- (b) Evidence of debt issued in connection with credit or charge cards, which cards are not issued by you;

But does not include "money".

- (23) "Theft" means the unlawful taking of property to the deprivation of the Insured.
- (24) "Transfer account" means an account maintained by you at a "financial institution" from which you can initiate the transfer payment or delivery of "money" or "securities":
- (a) By means of computer, telefacsimile, telephone or other electronic instructions; or
- (b) By means of written instruction establishing the conditions under which such transfer are to be initiated by such "financial institution" through an electronic funds transfer system.

h. Business Income

Causes of Loss – Special Form, Paragraph **B. Exclusions, 4. Special Exclusions,** Paragraphs **a.(1)** through **(5)** apply to this additional coverage.

Business Income From Dependent Properties

- (1) We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss or damage at the premises of a "dependent property", "secondary contributing location" or "secondary recipient location" caused by or resulting from a Covered Cause of Loss.
- (2) However, this Additional Coverage does not apply when the only loss to "dependent property" is loss or damage to "electronic data", including destruction or corruption of "electronic data". If the "dependent property" sustains loss or damage to "electronic data" and other property, coverage under this Coverage Extension will not continue once the other property is repaired, rebuilt or replaced.
- (3) The most we will pay under this Additional Coverage is the Limit of Insurance shown in the Schedule.

- (4) We will reduce the amount of your Business Income loss, other than Extra Expense, to the extent you can resume "operations", in whole or in part, by using any other available:

- (a) Source of materials; or
- (b) Outlet for your products.

- (5) We will reduce the amount of your Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

- (6) The coverage period for Business Income under this Additional Coverage:

- (a) Begins immediately after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the "dependent property", "secondary contributing location" or "secondary recipient location"; and

- (b) Ends on the date when the property at the premises of the "dependent property", "secondary contributing location" or "secondary recipient location" should be repaired, rebuilt or replaced with reasonable speed and similar quality.

- (7) The Business Income coverage period, as stated in Paragraph **(6)**, does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:

- (a) Regulates the construction, use or repair, or requires the tearing down, of any property; or
- (b) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".

The expiration date of this policy will reduce the Business Income coverage period.

The following **Definitions** apply to Business Income From Dependent Properties in addition to the Building and Personal Property Coverage Form, Condominium Association Coverage Form and Condominium Commercial Unit Owners Coverage Form definitions.

- (1) "Dependent property" means property operated by others whom you depend on to:

(a) Deliver materials or services to you, or to others for your account (Contributing Locations). But any property which delivers any of the following services is not a Contributing Location with respect to such services:

- (i) Water Supply Services;
- (ii) Power supply services;
- (iii) Wastewater removal services; or
- (iv) Communication supply services, including services relating to Internet access or access to any electronic network;

(b) Accept your products or services (Recipient Locations);

(c) Manufacture products for deliver to your customers under contract of sale (Manufacturing Locations); or

(d) Attract customers to your business (Leader Locations).

(2) "Secondary contributing location" is an entity which:

(a) Is not owned or operated by the Contributing Location; and

(b) Delivers materials or services to the Contributing Location which in turn are used by that Contributing Location in providing materials or services to you.

A road, bridge, tunnel, waterway, airfield, pipeline or any other similar area or structure is not a "secondary contributing location".

Any property which delivers any of the following services is not a "secondary contributing location" with respect to such services:

- (a) Water Supply Services;
- (b) Power supply services;
- (c) Wastewater removal services; or
- (d) Communication supply services, including services relating to Internet access or access to any electronic network.

(3) "Secondary recipient location" is an entity which:

(a) Is not owned or operated by the Recipient Location; and

(b) Accepts materials or services to the Recipient Location which in turn accepts your materials or services.

A road, bridge, tunnel, waterway, airfield, pipeline or any other similar area or structure is not a "secondary recipient location".

The "dependent property", "secondary contributing location" or "secondary recipient location" must be located in the coverage territory of this policy.

(4) "Period of restoration" means the period of time that:

(a) Begins immediately after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the "dependent property" (or "secondary contributing location" or "secondary recipient location"); and

(b) Ends on the date when the property at the described premises of the "dependent property" or "secondary contributing location" or secondary recipient location" should be repaired, rebuilt or replaced with reasonable speed and similar quality; or

"Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:

(a) Regulates the construction, use or repair, or requires the tearing down of any property; or

(b) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

(5) "Suspension" means the slowdown or cessation of your business activities.

Section D. Deductible does not apply.

Business Income and Extra Expense

We will pay the actual loss of Business Income and necessary Extra Expense you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by a direct physical loss of or damage to property at premises which are described in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 1,000 feet of such premises.

With respect to the requirements set forth in the preceding Paragraph, if you occupy only part of a building, your premises means:

- (1) The portion of the building which you rent, lease or occupy;
- (2) The area within 1,000 feet of the building or within 1,000 feet of the premises described in the Declarations, whichever distance is greater (with respect to loss of or damage to personal property in the open or personal property in a vehicle); and
- (3) Any area within the building or at the described premises, if that area services, or is used to gain access to, the portion of the building which you rent, lease or occupy.

Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

We will pay Extra Expense (other than the expense to repair or replace property) to:

- (1) Avoid or minimize the "suspension" of business and to continue your "operations" at the described premises or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.
- (2) Minimize the "suspension" of business if you cannot continue your operations.
- (3) To research, replace, or restore the information on damaged valuable papers and records, but only if those expenses reduce the amounts otherwise payable in this Endorsement.

We will also pay Extra Expense to repair or replace property, but only to the extent it reduces the amount of loss that otherwise would have been payable under this coverage extension.

The amount of Business Income loss will be determined based on:

- (1) The Net Income of the business before the direct physical loss or damage occurred;
- (2) The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
- (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
- (4) Other relevant sources of information, including:
 - (a) Your financial records and accounting procedures;
 - (b) Bills, invoices and other vouchers; and
 - (c) Deeds, liens or contracts.

The amount of Extra Expense will be determined based on:

- (1) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
 - (a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
 - (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
- (2) Necessary expenses that reduce the Business Income otherwise incurred.

We will reduce the amount of your Business Income loss, to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.

If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

The following **Definitions** apply to Business Income and Extra Expense in addition to the Definitions in the Building and Personal Property Coverage Form, Condominium Association Coverage Form, and Condominium Commercial Unit-Owners Coverage Form.

(1) "Business Income" means the:

- (a)** Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
- (b)** Continuing normal operating expenses incurred, including payroll.

For manufacturing risks, Net Income includes the net sales value of production.

(2) "Operations" means:

Your business activities occurring at the described premises.

(3) "Period of restoration" means the period of time that:

- (a)** Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and
- (b)** Ends on the earlier of:
 - (i)** The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (ii)** The date when business is resumed at a new permanent location.

"Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:

- (a)** Regulates the construction, use or repair, or requires the tearing down of any property; or

- (b)** Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

(4) "Suspension" means the slowdown or cessation of your business activities.

The most we will pay for loss or damage under this Additional Coverage at each described premises is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

Civil Authority

We will extend this coverage to apply to actual loss of Business Income you sustain caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

- (1)** Access to the area immediately, surrounding the damaged property is prohibited by civil authority as a result of the damage and the described premises are within that area but are not more than one mile from the damaged property; and
- (2)** The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority Coverage will apply for a period of up to 72 hours after the time of the first action of civil authority that prohibits access to the described premises.

Section D. Deductible does not apply.

Lost Lease Protection

We will pay for Business Income and Extra Expense costs you incur for "lost lease interest" due to cancellation of lease contracts by your tenants. Cancellation must result from a direct physical loss by a Covered Cause of Loss to covered real property during the policy period.

"Lost lease interest" means:

The difference between the rent payments you were collecting prior to a covered loss and the total anticipated rental income including any tenant obligations you may be responsible for after the loss or damage has been repaired or rebuilt.

"Lost lease interest" does not include refunds or rebates for prepaid rent payments made on your behalf by tenants, or deposits of any kind made by tenants to a landlord or lessor of other premises.

Coverage begins with the date of direct physical loss and ends on the date when the property should be repaired, rebuilt or replaced with reasonable speed and similar quality.

The most we will pay under this Additional Coverage is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

i. Business Travel Accidental Death Benefit

We will pay a Business Travel Accidental Death Benefit for any expenses incurred by the named insured if a director or officer suffers an "injury" resulting in death or loss of limbs, sight, speech or hearing as described in Paragraph (2) below, while traveling on a common carrier for business purposes during the policy period.

- (1) There will be no coverage if the cause of the "injury" that resulted in loss was:
 - (a) an intentional act by the insured;
 - (b) an act of suicide or attempted suicide, whether or not the deceased was sane or insane at the time of the attempted suicide;
 - (c) an act of war; or
 - (d) a disease process.
- (2) For the purpose of this additional coverage, we will pay the Business Travel Accident Benefit amount if the "injury" resulted in:
 - (a) Physical damage to the body caused by violence, fracture, or an accident during the policy term that results in loss of life not later than 180 days after the policy expiration, the date of cancellation or the date of non-renewal;
 - (b) Accidental loss of limbs or multiple fingers;
 - (c) Total loss of sight, speech or hearing.

"Injury" means any physical damage to the body caused by accident, violence, sickness or disease sustained by a person, including death resulting from any of these at any time.

The Limit of Insurance provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

j. Conference Cancellation

We will reimburse the insured for any business-related expenses, paid by the insured and not otherwise reimbursed, for a canceled conference that an employee was scheduled to attend.

With respect to this coverage:

- (1) The insured employee must have registered for the conference at least 30 days prior to the cancellation; and
- (2) The cancellation must be ordered by a local, state or federal Board of Health or other governmental authority having jurisdiction over the location of the conference.

The limit of insurance provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

k. Donation Assurance

We will reimburse you for "failed donation claim(s)".

- (1) With respect to any "failed donation claim":
 - (a) The donor must never have been in bankruptcy, nor have filed for bankruptcy/reorganization prior to the time said pledge was made to the insured;
 - (b) For non-cash donations, payment will be based on the fair market value of said non-cash donation at the time of the "failed donation claim";
 - (c) In the case of unemployment incapacitation of a donor and as a condition of payment of the "failed donation claim":
 - (i) neither you nor the donor shall have had reason to believe the donor would become unemployed or incapacitated subsequent to the donation date and;
 - (ii) the donor shall be unemployed for at least 60 days prior to us making payment;

(d) No coverage shall be afforded for a written pledge of funds or other measurable tangible property to you dated prior to the policy period;

(e) A donation amount which is to be collected over more than a 12 month period shall be deemed a single donation.

(2) "Failed donation claim" means written notice to the Insured during the Policy Period of:

(a) the bankruptcy or reorganization of any donor whereby such bankruptcy or reorganization prevents the donor from honoring a prior written pledge of funds or other measurable tangible property to the Insured; or

(b) the unemployment or incapacitation of a natural person donor preventing him/her from honoring a prior written pledge of funds or other measurable tangible property to the Insured.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

i. Emergency Real Estate Consulting Fee

We will reimburse you for any realtor's fee or real estate consultant's fee you incur resulting from your need to relocate due to the "unforeseeable destruction" of your principal location as shown on the declarations.

"Unforeseeable destruction" means damage resulting from a "Certified Act of Terrorism", fire, crash or collapse which renders all of the Insured's primary location completely unusable.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

m. Fire Extinguisher Systems Recharge Expense

We will pay:

The cost of recharging or replacing, whichever is less, your fire extinguishers and fire extinguishing systems (including hydrostatic testing if needed) if they are discharged on or within 1,000 feet of the described premises; and

For loss or damage to Covered Property if such loss or damage is the result of an accidental discharge of chemicals from a fire extinguisher or fire extinguishing system.

No coverage will apply if the fire extinguishing system is discharged during installation or testing.

Section D. Deductible does not apply.

n. Fundraising Event Blackout

We will reimburse the insured for fundraising event expenses that are incurred due to the cancellation of a fundraising event caused by the lack of electric supply resulting in a power outage, provided the fundraising event is not re-scheduled. The fundraising event must have been planned at least 30 days prior to the power outage.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

o. Image Restoration Counseling

We will reimburse you for expenses incurred for image restoration and counseling arising out of "improper acts" by any Insured. Covered expenses are limited to:

- (1) The costs of rehabilitation and counseling for the accused Insured provided the Insured is not ultimately found guilty of criminal conduct, said reimbursement to occur after acquittal of the Insured;
- (2) The costs, charged by a recruiter or expended on advertising, of replacing an officer as a result of "improper acts"; and
- (3) Up to \$10,000 for the costs of restoring the Named Insured's reputation and consumer confidence through image consulting.

"Improper acts" means any actual or alleged act of:

- (a) Sexual abuse;
- (b) Sexual intimacy;
- (c) Sexual molestation; and/or
- (d) Sexual assault;

committed by an Insured against any natural person who is not an Insured. Such "improper acts" must have been committed by the Insured while in his or her capacity as an insured.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

p. Officers Or Directors Replacement Expenses

We will pay "Officers or Directors Replacement Expenses" if the executive officer or director suffers an "injury" while in the course of employment during the policy period which results in the loss of life during the policy period.

"Officers or Directors Replacement Expenses" means:

- (1) Costs of advertising the employment position opening;
- (2) Travel, lodging, meal and entertainment expenses incurred in interviewing job applicants for the employment position opening; and
- (3) Miscellaneous extra expenses incurred in finding, interviewing and negotiating with the job applicants, including, but not limited to, overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up employment contracts.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

q. Political Unrest Coverage

We will reimburse any present director, officer, employee or volunteer of the named insured while traveling outside the United States of America for "emergency evacuation expenses" that are incurred as a result of an incident of "political unrest". This "political unrest" must occur during the policy period. No coverage is granted for travel to countries in a state of "political unrest" at the time of departure of the travel.

- (1) "Emergency Evacuation Expense" means:
 - (a) Additional lodging expenses;
 - (b) Additional transportation expenses;
 - (c) The cost of obtaining replacements of lost or stolen travel documents necessary for evacuation from the area of "political unrest"; and
 - (d) Translation services, message transmittals and other communication expenses;

provided these expenses are not otherwise reimbursable.

(2) "Political Unrest" means"

- (a) A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risk to the security of citizens of the United States;
- (b) A long-term condition of disturbance, turmoil or agitation that makes a foreign country dangerous or unstable for citizens of the United States; or
- (c) A condition of disturbance, turmoil or agitation within a foreign country that constrains the United States Government's ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff;

for which either an alert of travel warning has been issued by the United States Department of State.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

r. Temporary Meeting Space Rental

We will reimburse you for the rental of meeting space which is necessitated by the temporary unavailability of your primary office space due to the failure of a climate control system, or leakage of a hot water heater during the policy period. Coverage will exist only for the renting of temporary meeting space required for meeting with parties who are not insured under this policy.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

s. Terrorism Travel Reimbursement

We will reimburse any of your present directors or officers in the event of a "Certified Act of Terrorism" during the policy period which necessitates that he/she incurs "Emergency Travel Expenses".

"Emergency Travel Expenses" means:

- (1) Hotel expenses incurred which directly result from the cancellation of a scheduled transport by a common carrier resulting directly from and within forty-eight hours of a "Certified Act of Terrorism"; and
- (2) The increased amount incurred in air or train fare which may result from rescheduling comparable transport, to replace a similarly scheduled transport canceled by a common carrier in direct response to a "Certified Act of Terrorism".

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

t. Travel Delay Reimbursement

We will reimburse any of your present directors or officers for any non-reimbursable expenses they incur as a result of the cancellation of any regularly scheduled business travel on a common carrier.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

A 72 hour waiting period deductible applies to this Additional Coverage.

u. Workplace Violence Counseling

In the event that an incidence of "workplace violence" occurs we will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by this "workplace violence".

Extra Expense is extended to include the cost of mental health counseling for "employees" following an incident of "workplace violence".

"Workplace violence" means any intentional use of or threat to use deadly force with intent to cause harm and that results in bodily "injury" or death of an insured, and insured's employee or any other person while on your premises.

"Injury" means any physical damage to the body caused by an accident, violence, sickness or disease sustained by a person, including death resulting from any of these at any time.

The limit provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply.

E. Coverage Extensions

1. When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form, under **Section A. Coverage Extensions**, Paragraph **5.a. Newly Acquired or Constructed Property** is deleted and replaced by:

a. Newly Acquired or Constructed Property

- (1) **Buildings** – if this policy covers Building, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at locations, other than the described premises, intended for:
 - (i) Similar use as the building described in the Declarations; or
 - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Coverage Extension at each building is the Limit of Insurance shown in the Schedule.

(2) Your Business Personal Property

- (a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:
 - (i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions; or
 - (ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
 - (iii) Business personal property that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Extension at each building is the Limit of Insurance shown in the Schedule.

- (b) This Extension does not apply to:
 - (i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or

- (ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period of Coverage

With respect to insurance provided under this Coverage Extension for Newly Acquired Or Constructed Property, coverage will end when any of the following first occurs:

- (a) This policy expires;
- (b) The number of days shown in the Schedule expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

The limit of insurance provided for this Coverage Extension is in addition to **Section C. Limits Of Insurance.**

Section D. Deductible applies to this Coverage Extension.

2. When this endorsement is attached to Condominium Commercial Unit-Owners Coverage Form under **Section A.5 Coverage Extensions**, Paragraph **a. Newly Acquired Property** is deleted and replaced by:

a. Newly Acquired Property

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to:
 - (a) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions; or
 - (b) Business personal property including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declaration; or
 - (c) Business personal property that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Coverage Extension at each building is the Limit of Insurance shown in the Schedule.

- (2) This Extension does not apply to:

- (a) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or
- (b) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period of Coverage

With respect to insurance provided under this Coverage Extension for Newly Acquired Property, coverage will end when any of the following first occurs:

- (a) This policy expires;
- (b) The number of days shown in the Schedule expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

The limit of insurance provided for this Coverage Extension is in addition to **Section C. Limits Of Insurance.**

Section D. Deductible applies to this Coverage Extension.

3. Paragraph **b. Personal Effects and Property Of Others** is deleted and replaced by:

b. Personal Effects and Property Of Others

You may extend the insurance that applies to Your Business Personal Property to apply to:

- (1) Personal Effects owned by you, your officers, your partners or members, your managers or your employees. This Extension does not apply to loss or damage by theft.

The most we will pay for loss or damage to Personal Effects under this Coverage Extension at each described premises is the Limit of Insurance shown in the Schedule, subject to the separate Employee Tools Maximum Limit of Insurance applicable at each described premises.

- (2) Personal Property of Others in your care, custody or control. The most we will pay for loss or damage to Personal Property of Others under this Coverage Extension at each described premises is the Limit of Insurance shown in the Schedule, subject to the separate Employee Tools Maximum Limit of Insurance applicable at each described premises. Coverage applies on a Replacement Cost basis when Business Personal Property valuation is Replacement Cost.

If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the lessor of the replacement cost of the property or the applicable Limit of Insurance.

The limit of insurance provided for this Coverage Extension is in addition to **Section C. Limits Of Insurance.**

Section D. Deductible does not apply to this Coverage Extension.

4. Paragraph **c. Valuable Papers and Records – (Other Than Electronic Data)** is deleted and replaced by:

c. Valuable Papers And Records

You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records, including those which exist as electronic data, for which duplicates do not exist.

We do not pay for loss caused by electrical or magnetic damage, disturbance, or erasure of electronic recordings. But we do cover loss or damage, disturbance, or erasure caused by lightning.

We do not pay for loss caused by errors or omissions in processing, duplicating, or copying. But if errors or omissions result in a fire or explosion, we do cover the loss or damage caused by the fire or explosion.

The most we will pay for loss or damage under this Coverage Extension at each described premises and for "valuable papers and records" not at the described premises are the Limits of Insurance shown in the Schedule.

The limit of insurance provided for this Coverage Extension is in addition to **Section C. Limits Of Insurance.**

Section D. Deductible does not apply to this Coverage Extension.

5. Paragraph **d. Property Off-Premises** is deleted and replaced by:

d. Property Off-Premises

You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:

- (1) Temporarily at a location you do not own, lease or operate; or
- (2) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term.

This Coverage Extension does not apply to Covered Property:

- (1) In or on a vehicle;
- (2) In the care, custody or control of your salesperson;
- (3) At any fair or exhibition;
- (4) Owned by you, or for which you are legally liable, that is to be installed by you or at your direction, while the property is at a jobsite location.
- (5) Money and securities;
- (6) Contractors equipment or tools used to conduct your operations away from the described premises;
- (7) Accounts receivable; or
- (8) Valuable papers.

The most we will pay for loss or damage under this Coverage Extension is the Limit of Insurance shown in the Schedule. Insurance under this Coverage Extension will end when any of the following first occurs:

- (1) This policy expires, or
- (2) 90 days expire after your Covered Property is temporarily at a location you do not own, lease or operate.

The limit of insurance provided for this Coverage Extension is in addition to **Section C. Limits Of Insurance.**

Section D. Deductible does not apply to this Coverage Extension.

6. Paragraph **e. Outdoor Property** is deleted and replaced by:

e. Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to your radio and television antennas (including satellite dishes), trees, shrubs and plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), including debris removal expense, caused by or resulting from the following causes of loss if they are Covered Causes of Loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or Civil Commotion; or
- (5) Aircraft.

The most we will pay for loss or damage under this Coverage Extension is the Maximum Limit of Insurance for all items, subject to the separate Maximum Limit of Insurance applicable to each tree, shrub or plant, shown in the Schedule. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

Subject to all aforementioned terms and limitations of coverage, this Coverage Extension includes the expense of removing from the described premises the debris of trees, shrubs and plants which are the property of others, except in the situation in which you are a tenant and such property is owned by the landlord of the described premises.

The limit of insurance provided for this Coverage Extension is in addition to **Section C. Limits Of Insurance**.

Section D. Deductible does not apply to this Coverage Extension.

- F. The following coverages are added to **Section A.5. Coverage Extensions**:

5. Coverage Extensions

In addition to the Limits Of Insurance under the Building and Personal Property Coverage Form, Condominium Association Coverage Form, or Condominium Commercial Unit-Owners Coverage Form you may extend the insurance provided by this policy to these Coverage Extensions.

Unless otherwise indicated, the Limits Of Insurance provided by these Coverage Extensions are in addition to **Section C. Limits Of Insurance**.

Unless otherwise indicated **Section D. Deductible** applies to these Coverage Extensions.

h. Building Material Theft

We will pay for loss or damage by theft or attempted theft of building materials and supplies not attached as part of the building or structure located either on or off premises owned by you.

The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Schedule.

i. Accounts Receivable

You may extend the insurance that applies to Your Business Personal Property to apply to your accounts receivable records.

In the event of a loss to your accounts receivable records caused by a covered peril, we cover:

- (1) The sums that are due and that you cannot collect from your customers because of the loss;
- (2) The interest charge on a loan if that loan is used to offset those sums that cannot be collected, pending our payment of those sums;
- (3) Collection costs that result from a loss which are above your normal collection costs; and
- (4) The reasonable cost to reconstruct your accounts receivable records.

We do not pay for loss that results from electrical or magnetic damage, disturbance or erasure of electronic data or records that is caused by:

- (1) Erroneous programming or faulty equipment instructions;
- (2) Faulty or inadequate installation or maintenance of data processing equipment.

But we do cover loss or damage caused by lightning.

We do not pay for loss caused by bookkeeping, accounting, or billing errors or omissions.

If a loss occurs and you cannot establish the actual accounts receivable amount due, it will be determined as follows:

- (1) We will determine the average monthly accounts receivable for the 12-month period that directly precedes the month in which the loss occurred; and
- (2) We will adjust this average amount for any verifiable variance in the accounts receivable amount for the month in which the loss occurred.

We do not cover more than your insurable interest in any property.

We will pay the lesser of:

- (1) The total sum of accounts receivable due. From this total we will deduct:
 - (a) All amounts due from the accounts receivable records that are not lost;
 - (b) All amounts due that can be established by other means;
 - (c) All amounts due that you have collected from the records that are lost;
 - (d) All unearned interest and service charges; and
 - (e) An amount to allow for bad debts.
- (2) The reasonable cost to reconstruct your accounts receivable.

The most we will pay for loss or damage under this Coverage Extension at each described premises, and for accounts receivable not at the described premises are the Limits of Insurance shown in the Schedule.

j. Increase In Rebuilding Expenses Following Disaster

When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form:

If this policy covers building, we will pay under this Coverage Extension for increased expenses actually incurred from a covered cause of loss to a covered building if all of the following conditions are met.

- (1) The event that caused the covered loss:
 - (a) Results in declaration of a state of disaster by federal or state authorities; or
 - (b) Occurs in close temporal proximity to the event that results in the declaration of disaster by federal or state authorities;
- (2) Expenses for labor and/or building materials for repair or replacement of the damaged property increase as a result of the disaster and the total cost of repair or replacement exceeds the applicable Limit of Insurance due to such increase in expenses.
- (3) You elect to repair or replace the damage building; and

- (4) You notified us, within 30 days of completion, of any improvements, alterations or additions to the building which increase the replacement cost of the building by 5% or more and allowed us to adjust the Limit of Insurance, if necessary, to maintain the required insurance-to-value.

The Additional Expense Coverage available for the extra expense of repair or replacement of a covered building is determined as follows:

Apply the percentage indicated in the Schedule to:

- (a) The Limit Of Insurance shown in the Declarations as applicable to the building when such limit covers only that building (exclusive of contents); or
- (b) The value of the building when insurance is written on a blanket basis.

However, if the building is subject to a lower Limit of Insurance (sub-limit) for the Covered Cause of Loss that caused the loss, then the applicable percentage indicated in the Schedule will be applied to that sub-limit.

- (5) If a Coinsurance penalty or similar penalty for inadequate insurance applies to the covered loss to the building in accordance with the terms of this policy, then the maximum amount of Additional Expense Coverage will be decreased in the same proportion. (In determining compliance with the policy's Coinsurance or similar requirement, the increase in expenses attributable to the disaster will be disregarded.)

When payments reach the maximum amount of Additional Expense Coverage, such coverage will not apply to a subsequent event which occurs in the same annual policy term.

In determining the expenses payable, we will deduct any expenses recovered under any Business Income and/or Extra Expense Coverage Forms or this endorsement.

k. Rewards

We will pay, up to the Limit of Insurance shown in the Schedule for information which leads to the arrest and conviction of the person(s) who caused the loss covered under this coverage part. Regardless of the number of persons involved in providing information our liability under this Coverage Extension will not be increased.

This Coverage Extension does not apply to:

- (1) you;
- (2) your family members; or
- (3) your employees, volunteers or independent contractors.

Section D. Deductible does not apply to this Coverage Extension.

l. Outdoor Signs**(1) Detached Outdoor Signs**

- (a) When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form detached signs are added as Covered Property – Building (**Section A.1.a.**) or Covered Property – Business Personal Property (**Section A.1.b.**).
- (b) When this endorsement is attached to Condominium Commercial Unit-Owners Coverage Form detached signs are added as Covered Property Business Personal Property (**Section A.1.a.**).

The provision in the Limits Of Insurance section which pertains to outdoor signs does not apply. The most we will pay for loss or damage under this Coverage Extension for Detached Outdoor Signs at each described premises is the Limit of Insurance shown in the Schedule.

(2) Attached Outdoor Signs

- (a) When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form attached signs are added as Covered Property – Buildings (**Section A.1.a.**) or Covered Property – Business Personal Property (**Section A.1.b.**).
- (b) When this endorsement is attached to Condominium Commercial Unit-Owners Coverage Form attached signs are added as Covered Property – Business Personal Property (**Section A.1.a.**).

The provision in the Limits Of Insurance section which pertains to outdoor signs does not apply.

m. Outdoor Fences

- (1) When this endorsement is attached to Building and Personal Property Coverage Form or Condominium Association Coverage Form outdoor fences are added as Covered Property – Building (**Section A.1.a.**) or Covered Property – Business Personal Property (**Section A.1.b.**).
- (2) When this endorsement is attached to Condominium Commercial Unit-Owners Coverage Form outdoor fences are added as Covered Property – Business Personal Property (**Section A.1.a.**).

n. Fine Arts

You may extend the insurance that applies to your Business Personal Property to apply to your "fine arts".

"Fine arts" means paintings; etchings; pictures; tapestries; rare or art glass; art glass windows; valuable rugs; statuary; sculptures; "antique" furniture; "antique" jewelry; bric-a-brac; porcelains; and similar property of rarity, historical value, or artistic merit.

"Antique" means an object having value because its:

- (1) Craftsmanship is in the style or fashion of former times; and
- (2) Age is 100 years old or older.

We will not pay for loss or damage caused by processing of or work upon the covered property including repairs or restoration.

In the event of a total loss to "fine arts", the value will be based on the lesser of:

- (1) The market value at the time of the covered loss or damage;
- (2) The cost to repair or restore the covered "fine arts" to the condition immediately before the loss or damage; or
- (3) The cost of a replacement with substantially identical property.

In the event of a partial loss or damage to "fine arts", the value will be based on:

- (1) The cost to repair or restore the covered "fine arts" to the condition immediately before the loss or damage; or
- (2) The difference between the value of the pair or set before and after the covered loss or damage.

The cost to repair or restore will not exceed the value the pair or set had prior to the loss.

If a covered loss to "fine arts" involves a pair or set and part of the pair or set is undamaged:

- (1) You may surrender the undamaged part of the pair or set to us, and the covered loss will be valued on the basis of a total loss to the entire pair or set; or
- (2) You may keep the undamaged part of the pair or set, and the covered loss will be valued on the basis of a partial loss to the entire pair or set.

You must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss.

The most we will pay for loss or damage under this Coverage Extension at each described premises is the Limit of Insurance shown in the Schedule.

o. Property At Fairs Or On Exhibition

You may extend the insurance provided by this policy to apply to your Covered Property and Personal Property of Others while at any fair or exhibition not located within 1,000 feet of the premises described in the Declarations. This Extension does not apply to fine arts or your salespersons samples.

The most we will pay for loss or damage under this Coverage Extension is the Limit of Insurance shown in the Schedule.

p. Property In The Custody Of Sales Representatives

You may extend the insurance provided by this policy to apply to your Covered Property in the care, custody or control of a sales representative and not located within 1,000 feet of the premises described in the Declarations.

The most we will pay for loss or damage under this Coverage Extension is the Limit of Insurance shown in the Schedule.

q. Property In Transit

If the Causes of Loss – Special Form is attached, the Additional Coverage Extension **F.1. Property in Transit** is deleted.

We will pay for loss of or damage to Covered Property while in transit.

Coverage is provided while the property is in or on a motor vehicle you own, lease or operate while between points in the coverage territory.

The most we will pay for loss or damage under this Coverage Extension is:

- (1) \$5,000 on Fine Arts;
- (2) \$5,000 on Personal Computers and EDP Equipment;
- (3) \$5,000 on Data and Media;
- (4) \$25,000 on All Other Property except as noted below.

This Coverage Extension does not apply to:

- (1) Money and Securities;
- (2) Covered Property owned by you, or for which you are legally liable, that is to be installed by you or at your direction, while the property is at a jobsite location;
- (3) Property in the care, custody or control of your salesperson;
- (4) Accounts Receivable;
- (5) Valuable Papers; or
- (6) Property of others for which you are responsible as a carrier for hire or car loader, consolidator, broker, freight forwarder, shipping association, or other arranger of transportation.

r. Ordinance Or Law Coverage – Building Or Tenants Improvements and Betterments

If the Replacement Cost option is indicated in the Declarations for a covered Building or covered Tenant's Improvements and Betterments damaged by a covered cause of loss, we will pay:

Coverage A – Coverage for Loss to the Undamaged Portion of the Building or Undamaged Tenant's Improvements And Betterments

With respect to the Building or covered Tenant's Improvements and Betterments that has sustained covered direct physical damage, we will pay under **Coverage A** for the loss in value of the undamaged portion of the building or improvements and betterments as a consequence of a requirement to comply with an ordinance or law that requires demolition of undamaged parts of the same building or improvements and betterments.

We will not pay under **Coverage A** for undamaged improvements and betterments that could be removed from the building, without incurring damage to such improvements and betterments, prior to demolition or repair of the building. Coinsurance Additional Condition applies to coverage for Loss to the Undamaged Portion of the Building.

Coverage B – Demolition Cost Coverage

With respect to the building that has sustained covered direct physical damage, we will pay the cost to demolish and clear the site of undamaged parts of the same building or improvements and betterments as a consequence of a requirement to comply with an ordinance or law that requires demolition of such undamaged property.

We will pay the cost to demolish and clear the undamaged parts of the improvements and betterments, provided that such cost is distinguishable from the cost of demolishing the building and you are responsible for the cost of demolition of the improvements and betterments.

We will not pay under **Coverage B** for demolition of undamaged improvements and betterments that could be removed from the building, without incurring damage to such improvements and betterments, prior to demolition or repair of the building.

The Coinsurance Additional Condition does not apply to Demolition Cost Coverage.

Coverage C – Increased Cost of Construction Coverage

(1) With respect to the building that has sustained covered direct physical damage, we will pay the increased cost to:

- (a) Repair or reconstruct damaged portions of that building or improvements and betterments; or
- (b) Reconstruct or remodel undamaged portions of that building or improvements and betterments, whether or not demolition is required;

when the increased cost is a consequence of a requirement to comply with the minimum standards of the ordinance or law.

However:

- (a) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.
- (b) We will not pay for the increased cost of construction if the building or improvements and betterments are not repaired, reconstructed or remodeled.

The Coinsurance Additional Condition does not apply to Increased Cost of Construction Coverage.

(2) When a building is damaged or destroyed and **Coverage C** applies to that building in accordance with (1) above, coverage for the increased cost of construction also applies to repair or reconstruction of the following, subject to the same conditions stated in (1):

- (a) The cost of excavations, grading, backfilling and filling;
- (b) Foundation of the building;
- (c) Pilings; and
- (d) Underground pipes, flues and drains.

The items listed in (2)(a) through (2)(d) above are deleted from Property Not Covered, but only with respect to the coverage described in this provision (2).

Loss Payment

All following loss payment provisions are subject to the apportionment procedures set forth in Paragraph (3) under **Application of Coverage(s)**.

Coverage A – Coverage for Loss to the Undamaged Portion of the Building or Undamaged Portion of the Tenants Improvements and Betterments

When there is a loss in value of an undamaged portion of a building or undamaged improvements and betterments, the loss payment for that building or improvements and betterments, including damaged and undamaged portions, will be determined as follows:

- (1) If the property is being repaired or replaced on the same or another premises, we will not pay more than the lesser of:

- (a) The amount you would actually spend to repair, rebuild, or reconstruct the property, but not for more than the amount it would cost to restore the property on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or
 - (b) The Limit of Insurance shown in the Declarations as applicable to the covered building or improvements and betterments.
- (2) If the property is not repaired or replaced we will not pay more than the lesser of:
- (a) The actual cash value of the property at the time of loss; or
 - (b) The Limit Of Insurance shown in the Declarations as applicable to the covered building or improvements and betterments.

The insurance provided by **Coverage A** does not increase **Section C. Limits Of Insurance**.

Coverage B – Demolition Cost Coverage and Coverage C – Increased Cost of Construction Coverage Combined

The most we will pay for the total of all covered losses for Demolition Cost and Increased Cost of Construction, is the lesser of the Combined Limit of Insurance of:

- (1) The amount shown in the Schedule; or
- (2) The percentage indicated in the Schedule applied to the covered building(s) or improvements and betterments Limit of Insurance.

Loss payment under Combined Coverage **B – Demolition Cost Coverage** and **Coverage C – Increased Cost of Construction** will be determined as follows:

For Demolition Cost we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.

With respect to the **Increased Cost of Construction Coverage**:

- (1) We will not pay for the increased cost of construction:
 - (a) Until the property is actually repaired or replaced at the same or another premises; and

- (b) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
- (2) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the same premises.
 - (3) If the ordinance or law requires relocation to another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the new premises.

The insurance provided by Combined **Coverage B** and **Coverage C** does not increase **Section C. Limits of Insurance**.

The terms of this coverage apply separately to each building to which this coverage applies.

Under this coverage, we will not pay for loss due to any ordinance or law that:

- (1) You were required to comply with before the loss, even if the building was undamaged; and
- (2) You failed to comply with.
- (3) We will not pay under this Coverage Extension for enforcement of or compliance with any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus" wet or dry rot or bacteria; or

The costs associated with the enforcement of or compliance with any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

Application of Coverage(s)

Coverages A, B and/or C apply only if both (1) and (2) are satisfied and are then subject to the qualifications set forth in (3).

- (1) The ordinance or law:

- (a) Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
- (b) Is in force at the time of loss or the ordinance or law is promulgated or revised after the loss but prior to the commencement of reconstruction or repair and provided that such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.

But coverage under this Coverage Extension applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered under this Coverage Extension.

- (2) (a) The building or improvements or betterments sustains direct physical damage that is covered under this policy and as a result of such damage you are required to comply with the ordinance or law; or
- (b) The building sustains both direct physical damage that is covered under this policy and direct physical damage that is not covered under this policy, and as a result of the building or improvements and betterments damage in its entirety you are required to comply with the ordinance or law.
- (c) But if the building sustains direct physical damage that is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this Coverage Extension even if the building or improvements or betterments has also sustained covered direct physical damage.
- (3) In the situation described in (2)(b) above, we will not pay the full amount of loss otherwise payable under the terms of **Coverages A, B and/or C** of this Coverage Extension. Instead, we will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

However, if the covered direct physical damage, alone, would have resulted in a requirement to comply with the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of **Coverages A, B and/or C** of this Coverage Extension.

To the extent that the Ordinance Or Law Exclusion might conflict with the coverage provided under this endorsement, the Ordinance Or Law Exclusion does not apply to such coverage.

s. Portable Tools

We cover your portable tools and equipment and those of your employees. This includes their containers, spare parts and accessories. We also cover similar property that belongs to others and for which you are liable. Coverage is provided while tools are on or off premises.

We do not cover:

- (1) Property that is held for sale.
- (2) Property that you rent to others.
- (3) Building materials or other materials and supplies.
- (4) Plans, blueprints, designs or specifications.

We will pay in any one occurrence for loss or damage to portable tools, the Maximum Limit of Insurance shown in the Schedule, subject to the separate Maximum Limit of Insurance applicable to you or any employee. Coverage is provided on an Actual Cash Value basis.

If the Cause of Loss – Special Form applies, **Section C. Limitations** Paragraph **2.c.** is deleted and replaced by:

c. Builders' machinery provided such property is Covered Property. However, this limitation does not apply:

- (1) If the property is located on or within 1,000 feet of the described premises, unless the premises is insured under the Builders Risk Coverage Form; or
- (2) To Business Income Coverage or to Extra Expense Coverage.

The limit provided is the only limit available for the described coverage and cannot be combined or added to any other coverage extension under this endorsement.

t. Spoilage

We will pay for loss of or damage to "perishable stock" at the described premises. "Perishable stock" means personal property maintained under controlled conditions for its preservation and susceptible to loss or damage if the controlled conditions change. We will not cover property located on buildings, in the open, or in vehicles.

We will pay for loss or damage to "perishable stock" caused by breakdown or contamination or power outage. Breakdown or contamination means change in temperature or humidity resulting from mechanical breakdown or mechanical failure of refrigerating, cooling, or humidity control apparatus or equipment only while such equipment or apparatus is at the described premises. Breakdown or contamination includes contamination by the refrigerant. Power outage means change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the described premises, due to conditions beyond your control.

We will not pay for loss or damage caused by or resulting from:

- (1) The disconnection of any refrigerating, cooling, or humidity control system from the source of power.
- (2) The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current.
- (3) The inability of an Electrical Utility Company or other power source to provide sufficient power due to:
 - (a) Lack of fuel; or
 - (b) Governmental order.
- (4) The inability of a power source at the described premises to provide sufficient power due to lack of generating capacity to meet demand.
- (5) Breaking of any glass that is a permanent part of any refrigerating, cooling, or humidity control unit.

The most we will pay for loss or damage under this Coverage Extension at each described premises is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply to this Coverage Extension.

u. Lock And Key Replacement

We will pay to re-key, repair or replace locks when there has been direct physical loss or damage to the corresponding "keys" by a Covered Cause of Loss.

This coverage does not apply to:

- (1) Keys to motor vehicles, trailers or any motorized land conveyances whether or not subject to motor vehicle registration.
- (2) Direct physical loss or damage to keys entrusted to any person who is not an "insured".
- (3) Wear and tear.

"Keys" means master key, grand master key or key-card.

We will pay for direct physical loss or damage to alternative locking systems including card programmers, card readers, computers, related alarms, trans-receivers, power supplies, and electronic or mechanical apparatus required to make such locking systems operate. We will also pay for reprogramming such locking systems as a result of a Covered Cause of Loss.

The most we will pay under this Coverage Extension in any one occurrence is the Limit of Insurance shown in the Schedule.

Section D. Deductible does not apply to this Coverage Extension.

v. Electronic Data Processing Equipment And Software

You may extend the insurance that applies to Your Business Personal Property to apply to your electronic data processing equipment and "software".

We cover direct physical loss or damage caused by a Covered Cause Of Loss to the following property:

- (1) "Hardware".
- (2) "Software".

We cover the cost of research or other expenses necessary to reproduce, replace, or restore lost files or codes on lost or damaged "data records" only if the cost of research or other expenses necessary to reproduce, replace or restore lost files or codes are incurred due to a direct physical loss caused by a Covered Cause Of Loss to "data records".

- (3) "Telecommunications equipment".
- (4) "Reproduction equipment".

Electrical and Power Supply Disturbance

We cover direct physical loss to covered property caused by "electrical disturbance", or "power supply disturbance".

Mechanical Breakdown Coverage

We pay for loss to covered property caused by "mechanical breakdown".

Foreign Transit And Location Coverage

We cover direct physical loss to your "portable computers" including preinstalled "programs and applications" while temporarily at a foreign location or in transit to or from a temporary foreign location outside the coverage territory.

We do not cover your "portable computers" or preinstalled "programs or applications" that are:

- (a) Shipped via mail;
- (b) You are required to provide a negotiable ocean cargo policy or certificate to any seller, buyer, or bank; or
- (c) The property is shipped to or is located in a country that is the subject of a trade embargo, economic sanctions, or other trade restrictions by the government of the United States of America.

The most we pay for loss to portable computers described above in any one occurrence while overseas is \$5,000. This limit is separate from, and not part of, the Electronic Data Processing Equipment And Software Coverage Extension Limit.

Valuation

- (1) The value of "hardware" that is replaced will be based on the cost of replacing the "hardware" with new equipment that is functionally comparable to the "hardware" that is being replaced. The value of "hardware" that is not repaired or replaced will be based on the actual cash value at the time of the loss (with a deduction for depreciation). In no event will we pay more than the reasonable cost of restoring partially damaged "hardware" to its condition directly prior to the damage.

- (2) The value of "programs and applications" will be based on the cost to reinstall the "programs or applications" from the licensed discs that were originally used to install the programs or applications. If the original licensed discs are lost, damaged, or can no longer be obtained, the value of "programs and applications" will be based on the cost of the most current version of the "programs or applications".
- (3) The value of "data records" will be based on the cost of reproduction from duplicate copies. The cost of reproduction includes, but is not limited to, the cost of labor to copy or transcribe from duplicate copies. If duplicate copies do not exist, the value of "data records" will be based on the cost of research or other expenses necessary to reproduce, replace, or restore lost files, documents, or records.
- (4) The value of "media" will be based on the cost to repair or replace the "media" with material of the same kind or quality.
- (5) The value of "telecommunications equipment" and "reproduction equipment" will be based on the replacement cost without any deduction for depreciation.

The following **Definitions** apply to Electronic Data Processing Equipment Coverage in addition to the Building and Personal Property Coverage Form, Condominium Association Coverage Form and Condominium Commercial Unit Owners Coverage Form definitions:

- (1) "Computer hacking" means an unauthorized intrusion:
 - (a) By an individual or group of individuals, whether employed by you or not, into "hardware", "software", or a computer network; and
 - (b) That results in but is not limited to:
 - (i) Deletion, destruction, generation, or modification of "software";
 - (ii) Alteration, contamination, corruption, degradation, or destruction of the integrity, quality, or performance of "software";
 - (iii) Observation, scanning, or copying of "data records", "programs and applications", and proprietary programs;

- (iv) Damage, destruction, inadequacy, malfunction, degradation, or corruption of any "hardware", Web site server, or "media" used with "hardware" or Web site server, or
 - (v) Denial of access to or denial of services from your "hardware", Web site server or your computer network.
- (2) "Computer virus" means the introduction of any malicious, self-replicating electronic data processing code or other code:
 - (a) Into "hardware", "software" or Web site server; and
 - (b) That is intended to result in, but is not limited to:
 - (i) Deletion, destruction, generation, or modification of "software";
 - (ii) Alteration, contamination, corruption, degradation or destruction of the integrity, quality or performance of "software";
 - (iii) Damage, destruction, inadequacy, malfunction, degradation or corruption of any "hardware", Web site server or "media" used with "hardware" or Web site server; or
 - (iv) Denial of access to or denial of services from your "hardware", Web site server or your computer network.
- (3) "Data records" means files, documents, and information in an electronic format and that are stored on "media".
- (4) "Electrical disturbance" means electrical or magnetic damage, disturbance of electronic recordings or erasure of electronic recordings.
- (5) "Hardware" means a network of electronic machine components (microprocessors) capable of accepting instructions and information, processing the information according to the instructions and producing desired results.
 - (a) "Hardware" includes but is not limited to:
 - (i) Personal computers and work stations;
 - (ii) Laptops, palmtops, notebook PCs, other portable computer devices and accessories including, but not limited to, multimedia projectors; and
 - (iii) Peripheral data processing equipment, including but not limited to, printers, keyboards, monitors and modems.
 - (b) "Hardware" does not include:
 - (i) "Software",
 - (ii) "Telecommunications equipment"; and
 - (iii) "Reproduction equipment".
- (6) "Mechanical breakdown" means the malfunction or failure of moving or electronic parts, component failure, faulty installation or blowout.
- (7) "Media" means processing, recording, or storage media used with "hardware". This includes but is not limited to films, tapes, cards, discs, drums, cartridges or cells.
- (8) "Portable computers" means laptops, palmtops, notebook PCs, other portable computer devices and accessories including but not limited to, multimedia projectors.
- (9) "Power supply disturbance" means interruption of power supply, power surge, blackout, or brownout.
- (10) "Programs and applications" means operating programs and applications that you purchase and that are:
 - (a) Stored on "media"; or
 - (b) Pre-installed and stored in "hardware".
- (11) "Reproduction equipment" means a network of equipment and software designed for the scanning, copying, storage, and retrieval of paper documents.
- (12) "Software" means "media", "data records", "programs and applications". "Software" does not mean Web site software.
- (13) "Telecommunications equipment" means telephone components and equipment used for the transmission of communications.
 - "Telecommunications equipment" includes but is not limited to:
 - (a) Telephone switchgear (including PBX systems);

- (b) Telephone operating programs, related software;
- (c) Facsimile transmission equipment;
- (d) Video conferencing equipment; and
- (e) Other related hardware (including computers dedicated to voice mail).

We do not pay for loss or damage that is caused by or results from any direct or indirect loss or damage; or loss of access, loss of use or loss of functionality caused by a "computer virus" or by "computer hacking".

The most we will pay for loss or damage under this Coverage Extension at each described premises is the Limit of Insurance shown in the Schedule.

w. Water Back Up, Sump Pump Overflow

- (1) We will pay for direct physical loss or damage, not caused by your negligence, to covered Building and Business Personal Property caused by or resulting from:
 - (a) water or waterborne material which backs up through or overflows from a sewer or drain; or
 - (b) water or waterborne material which overflows or is otherwise discharged from a sump, sump pump or related equipment even if the overflow or discharge results from mechanical breakdown of a sump pump, or its related equipment.

The term drain includes a roof drain and related fixtures.

- (2) We will not pay for direct loss or damage caused by:
 - (a) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of an body of water, or spray from any of these, all whether driven by wind (including storm surge);
 - (b) Mudslide or mudflow; or
 - (c) Water under the ground surface pressing on, or flowing or seeping through:
 - (i) Foundations, walls, floors or paved surfaces;
 - (ii) Basements, whether paved or not;
 - (iii) Doors, windows or other openings; or

- (d) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.** or **c.**, or material carried or otherwise moved by mudslide or mudflow.

But if any of the above, in Paragraphs **(a)** through **(d)**, results in fire, explosion or sprinkler leakage, we will pay for the loss or damaged caused by that fire, explosion or sprinkler leakage.

We will pay for business income loss and extra expense in accordance with the terms of the coverage applicable to such premises under your policy, when such loss or expense arises out of the direct physical loss or damage described in Paragraph **w.(1)**.

The most we will pay under this Coverage Extension for the total of all direct loss or damage and business income and/or extra expense occurring during the policy term is the Policy Limit of Insurance shown in the Schedule. This limit does not apply separately to each location.

The most we will pay under this Coverage Extension for the total of all direct physical loss or damage sustained and business income and/or extra expense caused by all occurrences in a 12-month period (starting with the beginning of the present annual policy period), regardless of the number of occurrences during that period of time, is the Policy Limit Of Insurance shown in the Schedule.

Section D. Deductible applies to this Coverage Extension.

F. Under Section B. Exclusions and Limitations the following changes apply to **Section B. Exclusions** of the applicable covered Causes of Loss Form:

- 1. Exclusion **1.e. Utility Services** is deleted and replaced by:

e. Utility Services

The failure of power, communication, water, or other utility service supplied to the described premises, however caused, if the failure:

- (1) Originates away from the described premises: or
- (2) Originates at the described premises, but only if such failure involves equipment used to supply the utility service to the described premises from a source away from the described premises.

Failure of any utility service includes lack of sufficient capacity and reduction in supply.

Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

But if the failure or surge of power, or the failure of communications, water or other utility service, results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss. We will also pay for loss or damage resulting from direct physical loss or damage by a covered cause of loss to water supply services, communication supply services, or power supply services, other than overhead transmission, subtransmission, distribution or communication lines not on the described premises.

Communication services include but are not limited to service relating to Internet access or access to any electronic, cellular or satellite network.

For purposes of this provision:

- (1) Water Supply Services, meaning the following types of property supplying water to the described premises:
 - (a) Pumping stations; and
 - (b) Water mains.
- (2) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services, to the described premises, such as:
 - (a) Communication transmission lines, including optic fiber transmission lines;
 - (b) Coaxial cables; and
 - (c) Microwave radio relays except satellites.
- (3) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described premises:
 - (a) Utility generating plants;
 - (b) Switching stations;

- (c) Substations;
- (d) Transformers; and
- (e) Transmission lines.

Transmission lines includes all lines which serve to transmit communication service or power, including lines which may be identified as distribution lines.

The insurance provided by this coverage does not increase **Section C. Limits of Insurance.**

Section D. Deductible applies to this coverage.

2. Exclusion **1.g.(3)** does not apply to loss of or damage to Accounts Receivable, Fine Arts and Valuable Papers.
3. Exclusion **1.g.(4)** does not apply to loss of or damage to Accounts Receivable, Fine Arts and Valuable Papers.
4. If The Causes of Loss – Basic Form is attached, exclusions **2.b.**, **2.c.** and **2.d.** do not apply to loss of or damage to Accounts Receivable, Fine Arts and Valuable Papers.
5. If the Causes of Loss – Broad Form is attached, exclusion **2.b.** does not apply to loss of or damage to Accounts Receivable, Fine Arts and Valuable Papers.
6. If the Causes of Loss – Special Form is attached, exclusions **2.e.**, **2.f.** and **2.g.** do not apply to loss of or damage to Accounts Receivable, Fine Arts and Valuable Papers.

G. Under Section C. LIMITS OF INSURANCE:

The following is added:

Peak Season

You may increase the insurance that applies to Your Business Personal Property or Stock by the percentage shown in the Schedule to provide for seasonal variations if the Limit Of Insurance shown in the Declarations is 80% or more of the insured's average monthly values for the 12 months immediately preceding the date of loss or damage occurs, or the period of time you have been in business as of the date of the loss or damage occurs.

This section does not apply to property covered under a value reporting form or on a blanket basis.

POLICY NUMBER: B010120

COMMERCIAL PROPERTY
WB 34 01 18**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EQUIPMENT BREAKDOWN COVERAGE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
 CONDOMINIUM ASSOCIATION COVERAGE FORM
 CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
 BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
 BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
 EXTRA EXPENSE COVERAGE FORM
 CAUSES OF LOSS – BASIC FORM
 CAUSES OF LOSS – BROAD FORM
 CAUSES OF LOSS – SPECIAL FORM

SCHEDULE

Coverage	Limit
Spoilage	\$50,000
Deductibles	
Combined, All Coverages	\$
Direct Coverages	\$ (*other conditions, if required, will be shown below)
Indirect Coverages	\$
	or hours (*other conditions, if required, will be shown below)
	or Times Average Daily Value
Other Conditions	

A. The following is added to **A.4. Additional Coverages** of the **Building And Personal Property Coverage Form, Condominium Association Coverage Form** and **Condominium Commercial Unit-Owners Coverage Form**:

Additional Coverage – Equipment Breakdown

Additional Coverage Equipment Breakdown is described and limited below. Without an "accident" or "electronic circuitry impairment", there is no Equipment Breakdown Coverage.

1. We will pay for direct physical damage to Covered Property that is the direct result of an "accident" or "electronic circuitry impairment". We will consider "electronic circuitry impairment" to be physical damage to "covered equipment".

West Bend Mutual Insurance Company
 West Bend, Wisconsin 53095

2. The following coverages also apply to the direct result of an "accident" or "electronic circuitry impairment". However, with respect to coverage **2.h. Service Interruption** below and any Dependent Properties coverage provided by this coverage part, coverage will apply only to the direct result of an "accident" and will not apply to the direct result of an "electronic circuitry impairment". These coverages do not provide additional amounts of insurance.

a. Business Income and Extra Expense

- (1) Any insurance provided under the coverage part for Business Income or Extra Expense is extended to the coverage provided by this endorsement.
- (2) The most we will pay for loss or expense under this coverage is the applicable limit for Business Income and Extra Expense.

b. Data Restoration

- (1) We will pay for your reasonable and necessary cost to research, replace and restore lost "data."
- (2) The most we will pay for loss or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is \$25,000.

c. Expediting Expenses

- (1) With respect to your damaged Covered Property, we will pay the reasonable extra cost to:
 - (a) Make temporary repairs; and
 - (b) Expedite permanent repairs or permanent replacement.
- (2) The most we will pay for loss or expense under this coverage is \$25,000.

d. Hazardous Substances

- (1) We will pay your additional cost to repair or replace Covered Property because of contamination by a "hazardous substance". This includes the additional expenses to clean up or dispose of such property.
- (2) This does not include contamination of "perishable goods" by refrigerant, including but not limited to ammonia, which is addressed in **2.i.(1)(b)** below. As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown Coverage had no "hazardous substance" been involved.

- (3) The most we will pay for loss, damage or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is \$25,000.

e. Off Premises Equipment Breakdown

- (1) We will pay for physical damage to transportable "covered equipment" that, at the time of the "accident" or "electronic circuitry impairment", is not at a covered location. As respects this Off Premises Equipment Breakdown coverage only, the "accident" or "electronic circuitry impairment" may occur in any country except one in which the United States has imposed sanctions, embargoes or similar restrictions on the provision of insurance.
- (2) We will also pay for your reasonable and necessary cost to research, replace and restore lost "data" contained within "covered equipment" as described under (1) above. This amount may not exceed the limit applicable to Data Restoration coverage.
- (3) The most we will pay for loss, damage or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, and Data Restoration as described in (2) above is the limit for Property Off-Premises coverage, shown in your policy.

f. Public Relations

- (1) This coverage only applies if you have sustained an actual loss of Business Income covered under this endorsement.
- (2) We will pay for your reasonable costs for professional services to create and disseminate communications, when the need for such communications arises directly from the interruption of your business. This communication must be directed to one or more of the following:
 - (a) The media;
 - (b) The public; or
 - (c) Your customers, clients or members.
- (3) Such costs must be incurred during the "period of restoration" or up to 30 days after the "period of restoration" has ended.
- (4) The most we will pay for loss or expense under this coverage is \$5,000.

g. Resultant Damage to Animals

- (1) Any insurance provided under the coverage part for "animals" is extended to the coverage provided by this endorsement.
- (2) The most we will pay for loss, damage or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is \$25,000.

e. Service Interruption

- (1) Any insurance provided for Business Income, Extra Expense, Data Restoration or Spoilage is extended to apply to your loss, damage or expense caused by a failure or disruption of service. The failure or disruption of service must be caused by an "accident" to equipment, including overhead transmission lines, that is owned by a utility, landlord, a landlord's utility or other supplier who provides you with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, Internet access, telecommunications service, "cloud computing services", wide area networks or data transmission. The equipment must meet the definition of "covered equipment" except that it is not Covered Property.
- (2) "Cloud computing services" must be provided by a professional provider with whom you have a contract.
- (3) With respect to the Data Restoration portion of this Service Interruption coverage, coverage will also apply to "data" stored in the equipment of a provider of "cloud computing services".
- (4) Service Interruption coverage will not apply unless the failure or disruption of service exceeds 24 hours immediately following the "accident". If the interruption exceeds 24 hours, coverage will begin at the time of the disruption, and the applicable deductible will apply.
- (5) The most we will pay in any "one equipment breakdown" for loss, damage or expense under this coverage is the applicable limit for Business Income, Extra Expense, Data Restoration or Spoilage.

i. Spoilage

- (1) We will pay for:

- (a) Physical damage to "perishable goods" due to spoilage;
 - (b) Physical damage to "perishable goods" due to contamination from the release of refrigerant, including but not limited to ammonia;
 - (c) Any necessary expenses you incur to reduce the amount of loss under this coverage to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.
- (2) If you are unable to replace the "perishable goods" before its anticipated sale, the amount of our payment will be determined on the basis of the sales price of the "perishable goods" at the time of the "accident" or "electronic circuitry impairment", less discounts and expenses you otherwise would have had. Otherwise our payment will be determined in accordance with the Valuation condition.
 - (3) The most we will pay for loss, damage or expense under this coverage is \$50,000 unless otherwise shown in the above Schedule.

3. Exclusions

All exclusions in the applicable Causes of Loss form apply except as modified below and to the extent that coverage is specifically provided by this endorsement.

a. The following exclusions are modified:

- (1) If the Causes of Loss – Basic Form or Causes of Loss – Broad Form applies, the following is added to Exclusion **B.2.**:
Depletion, deterioration, corrosion, erosion, wear and tear, or other gradually developing conditions. However if an "accident" or "electronic circuitry impairment" results, we will pay for the resulting loss, damage or expense caused by that "accident" or "electronic circuitry impairment".
- (2) If the Causes of Loss – Special Form applies as respects this endorsement only, the last paragraph of Exclusion **B.2.d.** is deleted and replaced with the following:
But if an excluded cause of loss that is listed in **2.d.(1)** through **(7)** results in an "accident" or "electronic circuitry impairment", we will pay for the loss, damage or expense caused by that "accident" or "electronic circuitry impairment".

b. The following exclusions are added:

(1) We will not pay for loss, damage or expense caused directly or indirectly by any of the following, whether or not caused by or resulting from an "accident" or "electronic circuitry impairment":

- (a)** Fire, including smoke from a fire;
- (b)** Explosion of gas or unconsumed fuel within the furnace of any boiler or fired vessel or within the passages from that furnace to the atmosphere;
- (c)** Any other explosion, except as specifically covered under this endorsement;
- (d)** Any earth movement, including but not limited to earthquake, subsidence, sinkhole collapse, landslide, earth sinking, tsunami or volcanic action;
- (e)** Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spay, all whether driven by wind or not; mudslide or mudflow; or water that back up or overflows from a sewer, drain or sump. However, if electrical "covered equipment" requires drying out because of the above, we will pay for the direct expenses of such drying out subject to the applicable Limit of Insurance and deductible for Building or Business Personal Property, whichever applies; or

(f) Vandalism.

(2) Coverage under this endorsement does not apply to an "accident" or "electronic circuitry impairment" caused by or resulting from:

- (a)** Lightning;
- (b)** Windstorm or hail. However this exclusion does not apply when:
 - (i)** "Covered equipment" located within a building or structure suffers an "accident" or "electronic circuitry impairment" that results from wind-blown rain, snow, sand or dust; and
 - (ii)** The building or structure did not first sustain wind or hail damage to its roof or walls through which the rain, snow, sand or dust entered.
- (c)** Smoke; aircraft or vehicles; riot or civil commotion; sprinkler leakage; elevator collision;

(d) Breakage of glass; falling objects; weight of snow, ice or sleet; freezing (caused by cold weather); collapse or molten material;

(e) A hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel, or an electrical insulation breakdown test of any type of electrical equipment; or

(f) Water or other means used to extinguish a fire.

(3) With respect to Business Income, Extra Expense and Service Interruption coverages, we will also not pay for:

(a) Loss caused by your failure to use due diligence and dispatch and all reasonable means to resume business; or

(b) Any increase in loss resulting from an agreement between you and your customer or supplier.

(4) We will not pay for loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an "accident" or "electronic circuitry impairment": Any "fungus", wet rot, dry rot or bacteria, including any presence, growth, proliferation, spread or any activity of "fungus", wet rot, dry rot or bacteria. This includes, but is not limited to, costs arising from clean up, removal, or abatement of such "fungus", wet rot, dry rot or bacteria. However, this exclusion does not apply to spoilage of personal property that is "perishable goods", to the extent that spoilage is covered under Spoilage coverage.

(5) Except as specifically provided under **A.2.b. Data Restoration** or **A.2.g. Resultant Damage to Animals**, we will not pay for loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an "accident" or "electronic circuitry impairment":

(a) Physical loss or damage to "animals";

(b) Loss, interruption or compromise of any research, test or study involving "animals"; or

(c) Loss of income or extra expense resulting from **(a)** or **(b)** above.

c. Exclusions **b.(2)(a)**, **b.(2)(b)**, **b.(2)(c)** and **b.(2)(d)** above shall not apply if:

- (1) The excluded cause of loss occurs away from any covered location and causes an electrical surge or other electrical disturbance.
- (2) Such a surge or disturbance is transmitted through utility service transmission lines to the covered location and results in an "accident" or "electronic circuitry impairment"; and
- (3) The loss, damage or expense caused by such surge or disturbance is not covered elsewhere under the policy.

d. Any cause of loss set forth in exclusion **b.(2)(d)** above that is not a Covered Cause of Loss in this coverage part shall be excluded only as respects Service Interruption coverage.

4. Definitions

The following definitions are added with respect to this endorsement only:

a. "Accident"

- (1) "Accident" means a fortuitous event that causes direct physical damage to "covered equipment". The event must be one of the following:
 - (a) Mechanical breakdown, including rupture or bursting caused by centrifugal force;
 - (b) Artificially generated electrical current, including electric arcing that disturbs electrical devices, appliances or wires;
 - (c) Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;
 - (d) Loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or
 - (e) Loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment.

(2) None of the following is an "accident":

- (a) Defect, programming error, programming limitation, computer virus, malicious code, loss of "data", loss of access, loss of use, loss of functionality or other condition within or involving "data" or "media" of any kind; or
- (b) Misalignment, miscalibration, tripping off-line, or any condition which can be corrected by resetting, tightening, adjusting or cleaning, or by the performance of maintenance.

However, if an "accident" results, we will pay for the resulting loss, damage or expense caused by that "accident".

b. "Animal" means any creature of the kingdom Animalia. This includes, but is not limited to amphibians, birds, fish, insects, mammals, reptiles, and worms.

c. "Boilers and vessels" means:

- (1) Any boiler, including attached steam, condensate and feedwater piping; and
- (2) Any fired or unfired pressure vessel subject to vacuum or internal pressure other than the static pressure of its contents.

This term does not appear elsewhere in this endorsement, but may appear in the Schedule.

d. "Cloud computing services" means professional, on-demand, self-service data storage or data processing services provided through the Internet or over telecommunications lines. This includes services known as IaaS (infrastructure as a service), PaaS (platform as a service), SaaS (software as a service) and NaaS (network as a service). This includes business models known as public clouds, community clouds and hybrid clouds. "Cloud computing services" include private clouds if such services are owned and operated by a third party.

e. "Covered equipment"

- (1) "Covered equipment means, Covered Property:
 - (a) That generates, transmits or utilizes energy;
 - (b) Which, during normal usage, operates under vacuum or pressure, other than the weight of its contents; or

- (c) If your lease requires you to maintain it, air conditioning and heating equipment that is part of the building or structure you occupy but do not own.

"Covered equipment" may utilize conventional design and technology or new or newly commercialized design and technology.

- (2) None of the following is "covered equipment":
- (a) Structure, foundation, cabinet or compartment;
 - (b) Insulating or refractory material;
 - (c) Sewer piping, buried vessels or piping, or piping forming a part of a sprinkler or fire suppression system;
 - (d) Water piping other than:
 - (i) Boiler feedwater piping;
 - (ii) Boiler condensate return piping; or
 - (iii) Water piping forming a part of a refrigerating or air conditioning system;
 - (e) "Vehicle" or any equipment mounted on a "vehicle";
 - (f) Satellite, spacecraft or any equipment mounted on a satellite or spacecraft;
 - (g) Dragline, excavation or construction equipment; or
 - (h) Equipment manufactured by you for sale.
- f. "Data" means information or instructions stored in digital code capable of being processed by machinery.
- g. "Electronic circuitry" means microelectronic components, including but not limited to circuit boards, integrated circuits, computer chips and disk drives.
- h. "Electronic circuitry impairment"
- (1) "Electronic circuitry impairment" means a fortuitous event involving "electronic circuitry" within "covered equipment" that causes the "covered equipment" to suddenly lose its ability to function as it had been functioning immediately before such event. This definition is subject to the conditions specified in (2), (3) and (4) below.

- (2) We shall determine that the reasonable and appropriate remedy to restore such "covered equipment's" ability to function is the replacement of one or more "electronic circuitry" components of the "covered equipment".

- (3) The "covered equipment" must be owned or leased by you, or operated under your control.

- (4) None of the following is an "electronic circuitry impairment":

- (a) Any condition that can be reasonably remedied by:

- (i) Normal maintenance, including but not limited to replacing expendable parts, recharging batteries or cleaning;

- (ii) Rebooting, reloading or updating software or firmware; or

- (iii) Providing necessary power or supply.

- (b) Any condition caused by or related to:

- (i) Incompatibility of the "covered equipment" with any software or equipment installed, introduced or networked within the prior 30 days; or

- (ii) Insufficient size, capability or capacity of the "covered equipment".

- (c) Exposure to adverse environmental conditions, including but not limited to change in temperature or humidity, unless such conditions result in an observable loss of functionality. Loss of warranty shall not be considered an observable loss of functionality.

- i. "Hazardous substance" means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.

- j. "Media" means material on which "data" is recorded such as solid state drives, hard disks, optical disks, flash drives, magnetic tapes or floppy disks.

k. "One equipment breakdown" means: If an initial "accident" or "electronic circuitry impairment" causes other "accidents" or "electronic circuitry impairments", all will be considered "one equipment breakdown". All "accidents" or "electronic circuitry impairments" that are the result of the same "accident" or "electronic circuitry impairment" will be considered "one equipment breakdown".

l. "Perishable goods" means personal property maintained under controlled conditions for its preservation, and susceptible to loss or damage if the controlled conditions change.

m. "Production machinery" means any machine or apparatus that processes or produces a product intended for eventual sale. This includes all component parts of such machine or apparatus and any other equipment used exclusively with such machine or apparatus. However, "production machinery" does not mean any boiler, or fired or unfired pressure vessel.

This term does not appear elsewhere in this endorsement, but may appear in the Schedule.

n. "Vehicle" means, as respects this endorsement only, any machine or apparatus that is used for transportation or moves under its own power. "Vehicle" includes, but is not limited to: car, truck, bus, trailer, train, aircraft, watercraft, forklift, bulldozer, tractor or harvester.

However, any property that is stationary, permanently installed at a covered location and that receives electrical power from an external power source will not be considered a "vehicle".

B. The Building and Personal Property Coverage Form, the Condominium Association Coverage Form and the Condominium Unit-Owners Coverage Form are modified as follows.

1. Deductible

The deductible in the Declarations applies unless a separate Equipment Breakdown deductible is shown in the Schedule. If a separate Equipment Breakdown deductible is shown, the following applies.

Only as regards Equipment Breakdown Coverage, provision **D. Deductible** is deleted and replaced with the following:

a. Deductibles for Each Coverage

- (1) Unless the Schedule indicates that your deductible is combined for all coverages, multiple deductibles may apply to any "one equipment breakdown".
- (2) We will not pay for loss, damage or expense under any coverage until the amount of the covered loss, damage or expense exceeds the deductible amount indicated for that coverage in the Schedule. We will then pay the amount of loss, damage or expense in excess of the applicable deductible amount, subject to the applicable limit.
- (3) If deductibles vary by type of "covered equipment" and more than one type of "covered equipment" is involved in any "one equipment breakdown", only the highest deductible for each coverage will apply.

b. Direct and Indirect Coverages

- (1) Direct Coverages Deductibles and Indirect Coverages Deductibles may be indicated in the Schedule.
- (2) Unless more specifically indicated in the Schedule:
 - (a) Indirect Coverages Deductibles apply to Business Income and Extra Expense loss; and
 - (b) Direct Coverages Deductibles apply to all remaining loss, damage or expense covered by this endorsement.

c. Application of Deductibles

(1) Dollar Deductibles

We will not pay for loss, damage or expense resulting from any "one equipment breakdown" until the amount of loss, damage or expense exceeds the applicable Deductible shown in the Schedule. We will then pay the amount of loss, damage or expense in excess of the applicable Deductible or Deductibles, up to the applicable Limit of Insurance.

(2) Time Deductible

If a time deductible is shown in the Schedule, we will not be liable for any loss occurring during the specified number of hours or days immediately following the "accident" or "electronic circuitry impairment". If a time deductible is expressed in days, each day shall mean twenty-four consecutive hours.

(3) Multiple of Average Daily Value (ADV)

If a deductible is expressed as a number times ADV, that amount will be calculated as follows:

The ADV (Average Daily Value) will be the Business Income (as defined in any Business Income coverage that is part of this policy) that would have been earned during the period of interruption of business had no "accident" or "electronic circuitry impairment" occurred, divided by the number of working days in that period. No reduction shall be made for the Business Income not being earned, or in the number of working days, because of the "accident" or "electronic circuitry impairment" or any other scheduled or unscheduled shutdowns during the period of interruption. The ADV applies to the Business Income value of the entire location, whether or not the loss affects the entire location. If more than one location is included in the valuation of the loss, the ADV will be the combined value of all affected locations. For purposes of this calculation, the period of interruption may not extend beyond the "period of restoration". The number indicated in the above Schedule will be multiplied by the ADV as determined above. The result shall be used as the applicable deductible.

2. Conditions

- a. The following conditions are in addition to the Conditions in the Building and Personal Property Coverage Form, the Condominium Association Coverage Form, the Condominium Unit-Owners Coverage Form, the Commercial Property Conditions and the Common Policy Conditions.

(1) Suspension

Whenever "covered equipment" is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss from an "accident" or "electronic circuitry impairment" to that "covered equipment." This can be done by mailing or delivering a written notice of suspension to:

- (a) Your last known address; or
- (b) The address where the "covered equipment" is located.

Once suspended in this way, your insurance can be reinstated only by an endorsement for that "covered equipment". If we suspend your insurance, you will get a pro rata refund of premium for that "covered equipment" for the period of suspension. But the suspension will be effective even if we have not yet made or offered a refund.

(2) Jurisdictional Inspections

If any property that is "covered equipment" under this endorsement requires inspection to comply with state or municipal boiler and pressure vessel regulations, we agree to perform such inspection on your behalf. We do not warrant that conditions are safe or healthful.

- b. As respects this endorsement only, the Valuation Condition in the Building and Personal Property Coverage Form, the Condominium Association Coverage Form and the Condominium Unit-Owners Coverage Form is deleted and replaced with the following:

Valuation

We will determine the value of Covered Property as follows:

- (1) Except as specified otherwise, our payment for damaged Covered Property will be the smallest of:
 - (a) The cost to repair the damaged property;
 - (b) The cost to replace the damaged property on the same site; or
 - (c) The amount you actually spend that is necessary to repair or replace the damaged property.
- (2) The amount of our payment will be based on the most cost-effective means to replace the function, capacity and remaining useful life of the damaged property. This may include the use of generic, used or reconditioned parts, equipment or property.
- (3) Except as described in (4) below, you must pay the extra cost of replacing damage property with property of a better kind or quality or of a different size or capacity.

(4) Environmental, Safety and Efficiency Improvements

If "covered equipment" requires replacement due to an "accident" or "electronic circuitry impairment", we will pay your additional cost to replace with equipment that is better for the environment, safer for people or more energy or water efficient than the equipment being replaced. However, we will not pay to increase the size or capacity of the equipment and we will not pay more than 150% of what the cost would have been to replace with like kind and quality. This provision does not apply to the replacement of component parts or to any property to which Actual Cash Value applies and does not increase any of the applicable limits.

(5) The following property will be valued on an Actual Cash Value basis:

- (a)** Any property that does not currently serve as useful or necessary function for you;
- (b)** Any covered Property that you do not repair or replace within 24 months after the date of the "accident" or "electronic circuitry impairment"; and

Actual Cash Value includes deductions for depreciation.

(6) If any one of the following conditions is met, property held for sale by you will be valued at the sales price as if no loss or damage had occurred, less any discounts and expenses that otherwise would have applied:

- (a)** The property was manufactured by you;
- (b)** The sales price of property is less than the replacement cost of the property; or
- (c)** You are unable to replace the property before its anticipated sale.

(7) Except as specifically provided for under Data Restoration coverage, "data" and "media" will be valued on the following basis:

- (a)** For mass-produced and commercially available software, at the replacement cost.
- (b)** For all other "data" and "media", at the cost of blank "media" for reproducing the records. We will not pay for "data" representing financial records based on the face value of such records.

The most we will pay for loss, damage or expense under this endorsement arising from any "one equipment breakdown" is the applicable Limit of Insurance in the Declarations unless otherwise shown in the Schedule. Coverage provided under this endorsement does not provide an additional amount of insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTOMATIC BUILDING VALUE INCREASE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

The Limit of Insurance for all buildings to which this coverage applies will be automatically increased by an annual percentage on the next renewal.

The amount of increase will be the Limit of Insurance that applies at expiration of the policy multiplied by an annual Building Value Increase Factor. This factor will be based on a construction cost index supplied by a nationally known firm.

This provision does not apply to any building being afforded agreed valuation, blanket coverage, functional building valuation, inflation guard coverage or a coverage without a coinsurance provision.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

YOUR BUSINESS PERSONAL PROPERTY AMENDMENT TENANT GLASS

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

Coverage provided by this endorsement is subject to the Cause of Loss Form attached to this policy and policy's Deductible.

Coverages provided by this endorsement are in excess of any other specific coverages that are provided in other coverage Parts or other Policies.

A. The following is added to paragraph A.1.b. Your Business Personal Property:

(8) Exterior and/or interior Glass will be considered part of your Business Personal Property if:

- (a)** You are a tenant;
- (b)** You have a contractual responsibility to insure such property or to pay for damage to it and
- (c)** This policy does not insure the building or structure.

B. Paragraph A.1.c. Personal Property of Others is replaced by the following:

1. Covered Property

c. Personal Property of Others

(1) Personal property of others that is:

- (a)** In your care, custody or control; and
- (b)** Located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or structure or within 100 feet of the premises described in the Declarations, whichever distance is greater.

(2) Personal Property of Others includes exterior and/or interior glass that is part of the building or structure described in the Declaration only if:

- (a)** You are a tenant;
 - (b)** You have a contractual responsibility to insure such property or to pay for damage to it; and
 - (c)** This policy does not insure the building or structure.
- (3)** Our payment for loss of or damage to property covered under Personal Property of Others will only be for the account of the owner of the property.
- (4)** If you are contractually liable for a specific amount, we will pay the least of the following:
- (a)** The amount for which you are contractually liable;
 - (b)** The amount determined in accordance with the applicable Valuation Condition or any provision which replaces it; or
 - (c)** The Limit of Insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER SUITE COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM
BUSINESSOWNERS SPECIAL PROPERTY COVERAGE FORM
COMMERCIAL PROPERTY COVERAGE PART

SCHEDULE

Cyber Suite Annual Aggregate Limit:	<u>\$ Not Applicable</u>
First Party Annual Aggregate Limit:	<u>\$ 100,000</u>
Third Party Annual Aggregate Limit:	<u>\$ 100,000</u>
Cyber Suite Deductible Per Occurrence:	<u>\$ 1,000</u>
FIRST PARTY COVERAGES	
DATA COMPROMISE RESPONSE EXPENSES	<u>Included</u>
Sublimits Per Occurrence	
Forensic IT Review:	<u>\$ 50,000</u>
Legal Review:	<u>\$ 50,000</u>
Public Relations:	<u>\$ 5,000</u>
Regulatory Fines and Penalties (Not applicable in KS):	<u>\$ 50,000</u>
PCI Fines and Penalties:	<u>\$ 50,000</u>
COMPUTER ATTACK	<u>Included</u>
Sublimits Per Occurrence	
Loss of Business:	<u>\$ 50,000</u>
Public Relations:	<u>\$ 5,000</u>
CYBER EXTORTION	<u>Included</u>
Sublimit Per Occurrence:	<u>\$ 10,000</u>
MISDIRECTED PAYMENT FRAUD:	<u>Included</u>
Sublimit Per Occurrence:	<u>\$ 10,000</u>
COMPUTER FRAUD:	<u>Included</u>
Sublimit Per Occurrence:	<u>\$ 10,000</u>
THIRD PARTY COVERAGES	
DATA COMPROMISE LIABILITY	<u>Included</u>
NETWORK SECURITY LIABILITY	<u>Included</u>
ELECTRONIC MEDIA LIABILITY	<u>Included</u>
IDENTITY RECOVERY COVERAGE	
Annual Aggregate Limit Per "Identity Recovery Insured":	<u>\$ 25,000</u>
Deductible Per Occurrence:	<u>None</u>
Sublimits Per Occurrence	
Lost Wages and Child and Elder Care Expenses:	<u>\$ 5,000</u>
Mental Health Counseling:	<u>\$ 1,000</u>
Miscellaneous Unnamed Costs:	<u>\$ 1,000</u>

West Bend Mutual Insurance Company
West Bend, Wisconsin 53095

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Throughout this Coverage Endorsement (hereinafter referred to as "Cyber Coverage"), the words "you" and "your" refer to the Named Insured(s) shown in the Declarations, and any other person(s) or organization(s) qualifying as a Named Insured under this Cyber Coverage. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in "quotations" have special meaning. Refer to **DEFINITIONS**.

Coverage under this endorsement is subject to the following: The terms and conditions of the Cancellation Clause of the Common Policy Conditions and any amendment to such terms incorporated by endorsement are hereby incorporated herein and shall apply to coverage as is afforded by this Cyber Coverage, unless specifically stated otherwise in an endorsement(s) attached hereto.

A. COVERAGE

This section lists the coverages that apply if indicated in the Schedule.

1. Data Compromise Response Expenses

a. Data Compromise Response Expenses applies only if all of the following conditions are met:

- (1) There has been a "personal data compromise"; and
- (2) Such "personal data compromise" took place in the "coverage territory"; and
- (3) Such "personal data compromise" is first discovered by you during the "policy period"; and
- (4) Such "personal data compromise" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you.

b. If the conditions listed in a. above have been met, then we will provide coverage for the following expenses when they arise directly from such "personal data compromise" and are necessary and reasonable. Items (4) and (5) below apply only if there has been a notification of the "personal data compromise" to "affected individuals" as covered under item (3) below.

(1) Forensic IT Review

We will pay for a professional information technologies review if needed to determine, within the constraints of what is possible and reasonable, the nature and extent of the "personal data compromise" and the number and identities of the "affected individuals".

This does not include costs to analyze, research or determine any of the following:

- (a) Vulnerabilities in systems, procedures or physical security;
- (b) Compliance with Payment Card Industry or other industry security standards; or
- (c) The nature or extent of "loss" or damage to data that is not "personally identifying information" or "personally sensitive information".

If there is reasonable cause to suspect that a covered "personal data compromise" may have occurred, we will pay for costs covered under Forensic IT Review, even if it is eventually determined that there was no covered "personal data compromise". However, once it is determined that there was no covered "personal data compromise", we will not pay for any further costs.

(2) Legal Review

We will pay for a professional legal counsel review of the "personal data compromise" and how you should best respond to it.

If there is reasonable cause to suspect that a covered "personal data compromise" may have occurred, we will pay for costs covered under Legal Review, even if it is eventually determined that there was no covered "personal data compromise". However, once it is determined that there was no covered "personal data compromise", we will not pay for any further costs.

(3) Notification to Affected Individuals

We will pay your necessary and reasonable costs to provide notification of the "personal data compromise" to "affected individuals".

(4) Services to Affected Individuals

We will pay your necessary and reasonable costs to provide the following services to "affected individuals". Services (c) and (d) below apply only to "affected individuals" from "personal data compromise" events involving "personally identifying information".

(a) Informational Materials

A packet of loss prevention and customer support information.

(b) Help Line

A toll-free telephone line for “affected individuals” with questions about the “personal data compromise”. Where applicable, the line can also be used to request additional services as listed in **(c)** and **(d)** below.

(c) Credit Report and Monitoring

A credit report and an electronic service automatically monitoring for activities affecting an individual's credit records. This service is subject to the “affected individual” enrolling for this service with the designated service provider.

(d) Identity Restoration Case Management

As respects any “affected individual” who is or appears to be a victim of “identity theft” that may reasonably have arisen from the “personal data compromise”, the services of an identity restoration professional who will assist that “affected individual” through the process of correcting credit and other records and, within the constraints of what is possible and reasonable, restoring control over his or her personal identity.

(5) Public Relations

We will pay for a professional public relations firm review of, and response to, the potential impact of the “personal data compromise” on your business relationships.

This includes necessary and reasonable costs to implement public relations recommendations of such firm. This may include advertising and special promotions designed to retain your relationship with “affected individuals”. However, we will not pay for:

- (a)** Promotions provided to any of your directors or employees; or
- (b)** Promotion costs exceeding \$25 per “affected individual”.

(6) Regulatory Fines and Penalties

We will pay for any fine or penalty imposed by law, to the extent such fine or penalty is legally insurable under the law of the applicable jurisdiction.

(7) PCI Fines and Penalties

We will pay for any Payment Card Industry fine or penalty imposed under a contract to which you are a party. PCI (Payment Card Industry) Fines and Penalties do not include any increased transaction costs.

2. Computer Attack

- a.** Computer Attack applies only if all of the following conditions are met:

- (1)** There has been a “computer attack”; and
- (2)** Such “computer attack” occurred in the “coverage territory”; and
- (3)** Such “computer attack” is first discovered by you during the “policy period”; and
- (4)** Such “computer attack” is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you.

- b.** If all the conditions listed in **2.a.** above have been met, then we will provide you the following coverages for “loss” directly arising from such “computer attack”

(1) Data Restoration

We will pay your necessary and reasonable “data restoration costs”.

(2) Data Re-creation

We will pay your necessary and reasonable “data re-creation costs”.

(3) System Restoration

We will pay your necessary and reasonable “system restoration costs”.

(4) Loss of Business

We will pay your actual “business income and extra expense loss” incurred during the “period of restoration”.

(5) Extended Income Recovery

If you suffer a covered “business income and extra expense loss” resulting from a “computer attack” on a “computer system” owned or leased by you and operated under your control, we will pay your actual “extended income loss”.

(6) Public Relations

If you suffer a covered "business income and extra expense loss", we will pay for the services of a professional public relations firm to assist you in communicating your response to the "computer attack" to the media, the public and your customers, clients or members.

3. Cyber Extortion

a. Cyber Extortion applies only if all of the following conditions are met:

- (1) There has been a "cyber extortion threat"; and
- (2) Such "cyber extortion threat" is first made against you during the "policy period"; and
- (3) Such "cyber extortion threat" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first made against you.

b. If all the conditions listed in 3.a. above have been met, then we will pay for your necessary and reasonable "cyber extortion expenses" arising directly from such "cyber extortion threat". The payment of "cyber extortion expenses" must be approved in advance by us. We will not pay for "cyber extortion expenses" that have not been approved in advance by us. We will not unreasonably withhold our approval

c. You must make every reasonable effort not to divulge the existence of this Cyber Extortion coverage.

4. Misdirected Payment Fraud

a. Misdirected Payment Fraud applies only if all of the following conditions are met:

- (1) There has been a "wrongful transfer event" against you; and
- (2) Such "wrongful transfer event" took place in the "coverage territory"; and
- (3) Such "wrongful transfer event" is first discovered by you during the "policy period"; and
- (4) Such "wrongful transfer event" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you; and
- (5) Such "wrongful transfer event" is reported in writing by you to the police.

b. If all the conditions listed above in 4.a. have been met, then we will pay your necessary and reasonable "wrongful transfer costs" arising directly from the "wrongful transfer event".

5. Computer Fraud

a. Computer Fraud applies only if all of the following conditions are met:

- (1) There has been a "computer fraud event" against you; and
- (2) Such "computer fraud event" took place in the "coverage territory"; and
- (3) Such "computer fraud event" is first discovered by you during the "policy period"; and
- (4) Such "computer fraud event" is reported to us within 60 days after the date it is first discovered by you; and
- (5) Such "computer fraud event" is reported in writing by you to the police.

b. If all the conditions listed in 5.a. above have been met, then we will pay your necessary and reasonable "computer fraud costs" arising directly from the "computer fraud event".

6. Data Compromise Liability

a. Data Compromise Liability applies only if all of the following conditions are met:

- (1) During the "policy period" or any applicable Extended Reporting Period, you first receive notice of one of the following:
 - (a) A "claim"; or
 - (b) A "regulatory proceeding".
- (2) Such "claim" or "regulatory proceeding" must arise from a "personal data compromise" that:
 - (a) Took place during the "coverage term"; and
 - (b) Took place in the "coverage territory"; and
 - (c) Was submitted to us and insured under Data Compromise Response Expenses.
- (3) Such "claim" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.

b. If all the conditions listed in 6.a. above have been met, then we will pay on your behalf any covered:

- (1) "Loss" directly arising from the "claim"; or
- (2) "Defense costs" directly arising from a "regulatory proceeding".
- c. All "claims" and "regulatory proceedings" arising from a single "personal data compromise" or interrelated "personal data compromises" will be deemed to have been made at the time that notice of the first of those "claims" or "regulatory proceedings" is received by you.

7. Network Security Liability

- a. Network Security Liability applies only if all of the following conditions are met:
 - (1) During the "policy period" or any applicable Extended Reporting Period, you first receive notice of a "claim" which arises from a "network security incident" that:
 - (a) Took place during the "coverage term"; and
 - (b) Took place in the "coverage territory"; and
 - (2) Such "claim" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.
- b. If all the conditions listed in 7.a. above have been met, then we will pay on your behalf any covered "loss" directly arising from the "claim".
- c. All "claims" arising from a single "network security incident" or interrelated "network security incidents" will be deemed to have been made at the time that notice of the first of those "claims" is received by you.

8. Electronic Media Liability

- a. Electronic Media Liability applies only if all of the following conditions are met:
 - (1) During the "policy period" or any applicable Extended Reporting Period, you first receive notice of a "claim" which arises from an "electronic media incident" that:
 - (a) Took place during the "coverage term"; and
 - (b) Took place in the "coverage territory"; and
 - (2) Such "claim" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.

- b. If all the conditions listed in 8.a. above have been met, then we will pay on your behalf any covered "loss" directly arising from the "claim".
- c. All "claims" arising from a single "electronic media incident" or interrelated "electronic media incidents" will be deemed to have been made at the time that notice of the first of those "claims" is received by you.

9. Identity Recovery

- a. Identity Recovery applies only if all of the following conditions are met:
 - (1) There has been an "identity theft" involving the personal identity of an "identity recovery insured" under this Cyber Coverage; and
 - (2) Such "identity theft" took place in the "coverage territory"; and
 - (3) Such "identity theft" is first discovered by the "identity recovery insured" during the "policy period"; and
 - (4) Such "identity theft" is reported to us within 60 days after it is first discovered by the "identity recovery insured".
- b. If all the conditions listed in 9.a. above have been met, then we will provide the following to the "identity recovery insured":
 - (1) **Case Management Service**
We will pay for the services of an "identity recovery case manager" as needed to respond to the "identity theft"; and
 - (2) **Expense Reimbursement**
We will pay for reimbursement of necessary and reasonable "identity recovery expenses" incurred as a direct result of the "identity theft".

B. EXCLUSIONS

The following additional exclusions apply to this coverage:

We will not pay for costs or "loss" arising from the following:

1. Failure or interruption of, or damage to, any electrical power supply network or telecommunications network not owned and operated by you including, but not limited to, the internet, internet service providers, Domain Name System (DNS) service providers, cable and wireless providers, internet exchange providers, search engine providers, internet protocol networks (and similar networks that may have different designations) and other providers of telecommunications or internet infrastructure.
2. Any attack on, incident involving, or loss to any computer or system of computers that is not a "computer system".
3. Costs to research or correct any deficiency.
4. Any fines or penalties other than those explicitly covered under Data Compromise Response Expenses.
5. Any criminal investigations or proceedings.
6. Your intentional or willful complicity in a covered "loss" event.
7. Your reckless disregard for the security of your "computer system" or data, including confidential or sensitive information of others in your care, custody or control.
8. Any criminal, fraudulent or dishonest act, error or omission, or any intentional or knowing violation of the law by you.
9. Any "personal data compromise", "computer attack", "cyber extortion threat", "wrongful transfer event", "computer fraud event" or "wrongful act" occurring before the "coverage term".
10. That part of any "claim" seeking any non-monetary relief. However, this exclusion does not apply to "defense costs" arising from an otherwise insured "wrongful act".
11. The propagation or forwarding of malware, including viruses, worms, Trojans, spyware and keyloggers in connection with hardware or software created, produced or modified by you for sale, lease or license to third parties.
12. Any oral or written publication of material, if done by you or at your direction with knowledge of its falsity.
13. "Property damage" or "bodily injury" other than mental anguish or mental injury alleged in a "claim" covered under Electronic Media Liability.
14. The theft of a professional or business identity.

15. Any fraudulent, dishonest or criminal act by an "identity recovery insured" or any person aiding or abetting an "identity recovery insured", or by any "authorized representative" of an "identity recovery insured", whether acting alone or in collusion with others. However, this exclusion will not apply to the interests of an "identity recovery insured" who has no knowledge of or involvement in such fraud, dishonesty or criminal act.
16. An "identity theft" that is not reported in writing to the police.

C. LIMITS OF INSURANCE

1. Aggregate Limits

The First Party Annual Aggregate Limit shown in the Schedule is the most we will pay for all "loss" under all the Data Compromise Response Expenses, Computer Attack, Cyber Extortion, Misdirected Payment Fraud, and Computer Fraud coverages in any one "policy period". The First Party Annual Aggregate Limit shown in the Schedule applies regardless of the number of insured events first discovered during the "policy period".

Except for post-judgment interest the Third Party Annual Aggregate Limit shown in the Schedule is the most we will pay for all "loss" under all the Data Compromise Liability, Network Security Liability and Electronic Media Liability coverages in any one "policy period" or any applicable Extended Reporting Period. The Third Party Annual Aggregate Limit shown in the Schedule applies regardless of the number of insured "claims" or "regulatory proceedings" first received during the "policy period" or any applicable Extended Reporting Period.

If a Cyber Suite Annual Aggregate limit is shown in the Schedule, then except for post-judgment interest, the Cyber Suite Annual Aggregate Limit shown in the Schedule is the most we will pay for all "loss" under all applicable coverage sections, except Identity Recovery, in any one "policy period" or any applicable Extended Reporting Period. The Cyber Suite Annual Aggregate Limit shown in the Schedule applies regardless of the number of insured events first discovered or "claims" or "regulatory proceedings" first received during the "policy period" or any applicable Extended Reporting Period.

The Identity Recovery Coverage is subject to the Identity Recovery Limit as shown in the Schedule.

2. Coverage Sublimits**a. Data Compromise Sublimits**

The most we will pay under Data Compromise Response Expenses for Forensic IT Review, Legal Review, Public Relations, Regulatory Fines and Penalties and PCI Fines and Penalties coverages for "loss" arising from any one "personal data compromise" is the applicable sublimit for each of those coverages shown in the Schedule.

These sublimits are part of, and not in addition to, the First Party Annual Aggregate Limit shown in the Schedule. Public Relations coverage is also subject to a limit per "affected individual" as described in **A.1.b.(5)**.

b. Computer Attack Sublimits

The most we will pay under Computer Attack for Loss of Business and Extended Income Recovery coverages for "loss" arising from any one "computer attack" is the applicable Loss of Business sublimit shown in the Schedule. The most we will pay under Computer Attack for Public Relations coverage for "loss" arising from any one "computer attack" is the applicable Public Relations sublimit shown in the Schedule. These sublimits are part of, and not in addition to, the First Party Annual Aggregate Limit shown in the Schedule.

c. Cyber Extortion Sublimit

The most we will pay under Cyber Extortion coverage for "loss" arising from one "cyber extortion threat" is the applicable sublimit shown in the Schedule. This sublimit is part of, and not in addition to, the First Party Annual Aggregate Limit shown in the Schedule.

d. Misdirected Payment Fraud Sublimit

The most we will pay under Misdirected Payment Fraud coverage for "loss" arising from one "wrongful transfer event" is the applicable sublimit shown in the Schedule. This sublimit is part of, and not in addition to, the First Party Annual Aggregate Limit shown in the Schedule.

e. Computer Fraud Sublimit

The most we will pay under Computer Fraud coverage for "loss" arising from one "computer fraud event" is the applicable sublimit shown in the Schedule. This sublimit is part of, and not in addition to, the First Party Annual Aggregate Limit shown in the Schedule.

f. Identity Recovery Sublimits

The following provisions are applicable only to the Identity Recovery Coverage.

- (1) Case Management Service for any one "identity theft" for up to 12 consecutive months from the inception of the service. Expenses we incur to provide Case Management Services do not reduce the Annual Aggregate Limit for Identity Recovery.
- (2) "Identity Recovery Expenses" for Legal Costs are part of, and not in addition to, the Annual Aggregate Limit for Identity Recovery.
- (3) "Identity Recovery Expenses" for Child and Elder Care Expenses are jointly subject to the Lost Wages and Child and Elder Care sublimit shown in the Schedule. This sublimit is part of, and not in addition to, the Annual Aggregate Limit for Identity Recovery. Coverage is limited to wages lost and expenses incurred within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".
- (4) "Identity Recovery Expenses" for Mental Health Counseling is subject to the Mental Health Counseling sublimit shown in the Schedule. This sublimit is part of, and not in addition to, the Annual Aggregate Limit for Identity Recovery. Coverage is limited to counseling that takes place within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".
- (5) "Identity Recovery Expenses" for Miscellaneous Unnamed Costs is subject to the Miscellaneous Unnamed Costs sublimit shown in the Schedule. This sublimit is part of, and not in addition to, the Annual Aggregate Limit for Identity Recovery. Coverage is limited to costs incurred within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".

3. Application of Limits

- a. A "computer attack", "cyber extortion threat", "personal data compromise", "wrongful transfer event", "computer fraud event" or "identity theft" may be first discovered by you in one "policy period" but it may cause insured "loss" in one or more subsequent "policy periods". If so, all insured "loss" arising from such "computer attack", "cyber extortion threat", "personal data compromise", "wrongful transfer event", "computer fraud event" or "identity theft" will be subject to the limit of insurance applicable to the "policy period" when the "computer attack", "cyber extortion threat", "personal data compromise", "wrongful transfer event", "computer fraud event" or "identity theft" was first discovered by you.
- b. You may first receive notice of a "claim" or "regulatory proceeding" in one "policy period" but it may cause insured "loss" in one or more subsequent "policy periods". If so, all insured "loss" arising from such "claim" or "regulatory proceeding" will be subject to the limit of insurance applicable to the "policy period" when notice of the "claim" or "regulatory proceeding" was first received by you.
- c. The limit of insurance for the Extended Reporting Periods (if applicable) will be part of, and not in addition to, the limit of insurance for the immediately preceding "policy period".
- d. Coverage for Services to Affected Individuals under Data Compromise Response Expenses is limited to costs to provide such services for a period of up to one year from the date of the notification to the "affected individuals". Notwithstanding, coverage for Identity Restoration Case Management services initiated within such one year period may continue for a period of up to one year from the date such Identity Restoration Case Management services are initiated.

D. DEDUCTIBLES

1. We will not pay for "loss" until the amount of the insured "loss" exceeds the deductible amount shown in the Schedule. We will then pay the amount of "loss" in excess of the applicable deductible amount, subject to the applicable limits shown in the Schedule. You will be responsible for the applicable deductible amount.

2. The deductible will apply to all:

- a. "Loss" arising from the same insured event or interrelated insured events under Data Compromise Response Expenses, Computer Attack, Cyber Extortion, Misdirected Payment Fraud, or Computer Fraud.
 - b. "Loss" resulting from the same "wrongful act" or interrelated "wrongful acts" insured under Data Compromise Liability, Network Security Liability or Electronic Media Liability.
3. In the event that "loss" is insured under more than one coverage section, only the single highest deductible applies.
 4. Insurance coverage under Identity Recovery is not subject to a deductible.

E. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

1. Bankruptcy

The bankruptcy or insolvency of you or your estate, will not relieve you or us of any obligation under this Cyber Coverage.

2. Defense And Settlement

- a. We shall have the right and the duty to assume the defense of any applicable "claim" or "regulatory proceeding" against you. You shall give us such information and cooperation as we may reasonably require.
- b. You shall not admit liability for or settle any "claim" or "regulatory proceeding" or incur any defense costs without our prior written consent.
- c. At the time a "claim" or "regulatory proceeding" is first reported to us, you may request that we appoint a defense attorney of your choice. We will give full consideration to any such request.
- d. If you refuse to consent to any settlement recommended by us and acceptable to the claimant, we may then withdraw from your defense by tendering control of the defense to you. From that point forward, you shall, at your own expense, negotiate or defend such "claim" or "regulatory proceeding" independently of us. Our liability shall not exceed the amount for which the "claim" or suit could have been settled if such recommendation was consented to, plus "defense costs" incurred by us, and "defense costs" incurred by you with our written consent, prior to the date of such refusal.

e. We will not be obligated to pay any "loss" or "defense costs", or to defend or continue to defend any "claim" or "regulatory proceeding" after the applicable limit of insurance has been exhausted.

f. We will pay all interest on that amount of any judgment within the applicable limit of insurance which accrues:

(1) After entry of judgment; and

(2) Before we pay, offer to pay or deposit in court that part of the judgment within the applicable limit of insurance or, in any case, before we pay or offer to pay the entire applicable limit of insurance.

These interest payments shall be in addition to and not part of the applicable limit of insurance.

3. Due Diligence

You agree to use due diligence to prevent and mitigate "loss" insured under this Cyber Coverage. This includes, but is not limited to, complying with, and requiring your vendors to comply with, reasonable and industry-accepted protocols for:

- a. Providing and maintaining appropriate physical security for your premises, "computer systems" and hard copy files;
- b. Providing and maintaining appropriate computer and Internet security;
- c. Maintaining and updating at appropriate intervals backups of computer data;
- d. Protecting transactions, such as processing credit card, debit card and check payments; and
- e. Appropriate disposal of files containing "personally identifying information", "personally sensitive information" or "third party corporate data", including shredding hard copy files and destroying physical media used to store electronic data.

4. Duties in the Event of a Claim, Regulatory Proceeding or Loss

- a. If, during the "policy period", incidents or events occur which you reasonably believe may give rise to a "claim" or "regulatory proceeding" for which coverage may be provided hereunder, such belief being based upon either written notice from the potential claimant or the potential claimant's representative; or notice of a complaint filed with a federal, state or local agency; or upon an oral "claim", allegation or threat, you shall give written notice to us as soon as practicable and either:

(1) Anytime during the "policy period"; or

(2) Anytime during the extended reporting periods (if applicable).

b. If a "claim" or "regulatory proceeding" is brought against you, you must:

(1) Immediately record the specifics of the "claim" or "regulatory proceeding" and the date received;

(2) Provide us with written notice, as soon as practicable, but in no event more than 60 days after the date the "claim" or "regulatory proceeding" is first received by you;

(3) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "regulatory proceeding";

(4) Authorize us to obtain records and other information;

(5) Cooperate with us in the investigation, settlement or defense of the "claim" or "regulatory proceeding";

(6) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to you because of "loss" or "defense costs" to which this insurance may also apply; and

(7) Not take any action, or fail to take any required action, that prejudices your rights or our rights with respect to such "claim" or "regulatory proceeding".

c. In the event of a "personal data compromise", "computer attack", "cyber extortion threat", "wrongful transfer event", "computer fraud event" or "identity theft", insured under this Cyber Coverage, you and any involved "identity recovery insured" must see that the following are done:

(1) Notify the police if a law may have been broken.

(2) Notify us as soon as practicable, but in no event more than 60 days after the event, "claim", "regulatory proceeding" or "loss". Include a description of any property involved.

(3) As soon as possible, give us a description of how, when and where the event, "claim", "regulatory proceeding" or "loss" occurred.

(4) As often as may be reasonably required, permit us to:

(a) Inspect the property proving the "claim" or "loss".

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- (b) Examine your books, records, electronic media and records and hardware;
 - (c) Take samples of damaged and undamaged property for inspection, testing and analysis; and
 - (d) Make copies from your books, records, electronic media and records and hardware.
- (5) Send us signed, sworn proof of "loss" containing the information we request to investigate the "claim" or "loss". You must do this within 60 days after our request. We will supply you with the necessary forms.
- (6) Cooperate with us in the investigation or settlement of the "claim" or "loss".
- (7) If you intend to continue your business, you must resume all or part of your operations as quickly as possible.
- (8) Make no statement that will assume any obligation or admit any liability, for any "loss" for which we may be liable, without our prior written consent.
- (9) Promptly send us any legal papers or notices received concerning the "loss".
- d. We may examine you under oath at such times as may be reasonably required, about any matter relating to this insurance or the "claim", "regulatory proceeding" or "loss", including your books and records. In the event of an examination, your answers must be signed.
- e. You may not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our prior written consent.

5. Extended Reporting Periods

- a. You shall have the right to the Extended Reporting Periods described in this section, in the event of a "termination of coverage".
- b. If a "termination of coverage" has occurred, you shall have the right to the following:
 - (1) At no additional premium, an Automatic Extended Reporting Period of 30 days immediately following the effective date of the "termination of coverage" during which you may first receive notice of a "claim" or "regulatory proceeding" arising directly from a "wrongful act" occurring before the end of the "policy period" and which is otherwise insured by this Cyber Coverage; and

- (2) Upon payment of the additional premium of 100% of the full annual premium associated with the relevant coverage, a Supplemental Extended Reporting Period of one year immediately following the effective date of the "termination of coverage" during which you may first receive notice of a "claim" or "regulatory proceeding" arising directly from a "wrongful act" occurring before the end of the "policy period" and which is otherwise insured by this Cyber Coverage.

To obtain the Supplemental Extended Reporting Period, you must request it in writing and pay the additional premium due, within 30 days after the effective date of "termination of coverage". The additional premium for the Supplemental Extended Reporting Period will be fully earned at the inception of the Supplemental Extended Reporting Period. If we do not receive the written request as required, you may not exercise this right at a later date.

This insurance, provided during the Supplemental Extended Reporting Period, is excess over any other valid and collectible insurance that begins or continues in effect after the Supplemental Extended Reporting Period becomes effective, whether the other insurance applies on a primary, excess, contingent, or any other basis.

6. Legal Action Against Us

No one may bring a legal action against us under this insurance unless:

- a. There has been full compliance with all of the terms of this insurance; and
- b. The action is brought within two years after the date the "loss" or "identity theft" is first discovered by you, or the date on which you first receive notice of a "claim" or "regulatory proceeding".

7. Legal Advice

We are not your legal advisor. Our determination of what is or is not insured under this Cyber Coverage does not represent advice or counsel from us about what you should or should not do.

8. Other Insurance

If there is other insurance that applies to the same "loss", this Cyber Coverage shall apply only as excess insurance after all other applicable insurance has been exhausted.

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9. Pre-Notification Consultation

You agree to consult with us prior to the issuance of notification to “affected individuals”. We assume no responsibility under Data Compromise Response Expenses for any services promised to “affected individuals” without our prior agreement. If possible, this pre-notification consultation will also include the designated service provider(s) as agreed to under the Service Providers condition below. You must provide the following at our pre-notification consultation with you:

- a. The exact list of “affected individuals” to be notified, including contact information.
- b. Information about the “personal data compromise” that may appropriately be communicated with “affected individuals”.
- c. The scope of services that you desire for the “affected individuals”. For example, coverage may be structured to provide fewer services in order to make those services available to more “affected individuals” without exceeding the available Data Compromise Response Expenses limit of insurance.

10. Service Providers

- a. We will only pay under this Cyber Coverage for services that are provided by service providers approved by us. You must obtain our prior approval for any service provider whose expenses you want covered under this Cyber Coverage. We will not unreasonably withhold such approval.
- b. Prior to the Pre-Notification Consultation described in the Pre-Notification Consultation Condition above, you must come to agreement with us regarding the service provider(s) to be used for the Notification to Affected Individuals and Services to Affected Individuals. We will suggest a service provider. If you prefer to use an alternate service provider, our coverage is subject to the following limitations:
 - (1) Such alternate service provider must be approved by us;
 - (2) Such alternate service provider must provide services that are reasonably equivalent or superior in both kind and quality to the services that would have been provided by the service provider we had suggested; and

- (3) Our payment for services provided by any alternate service provider will not exceed the amount that we would have paid using the service provider we had suggested.

11. Services

The following conditions apply as respects any services provided to you or any “affected individual” or “identity recovery insured” by us, our designees or any service firm paid for in whole or in part under this Cyber Coverage:

- a. The effectiveness of such services depends on the cooperation and assistance of you, “affected individuals” and “identity recovery insureds”.
- b. All services may not be available or applicable to all individuals. For example, “affected individuals” and “identity recovery insureds” who are minors or foreign nationals may not have credit records that can be provided or monitored. Service in Canada will be different from service in the United States and Puerto Rico in accordance with local conditions.
- c. We do not warrant or guarantee that the services will end or eliminate all problems associated with the covered events.
- d. Except for the services of an “identity recovery case manager” under Identity Recovery, which we will provide directly, you will have a direct relationship with the professional service firms paid for in whole or in part under this Cyber Coverage. Those firms work for you.

12. Valuation

We will determine the value of “money” as follows:

Our payment for loss of “money” or loss payable in “money” will be, at your option, in the “money” of the country in which the “wrongful transfer event” or “computer fraud event” took place or in the United States of America dollar equivalent thereof determined at the rate of exchange published by the Wall Street Journal at the time of payment of such loss.

F. DEFINITIONS

1. “Affected Individual” means any person whose “personally identifying information” or “personally sensitive information” is lost, stolen, accidentally released or accidentally published by a “personal data compromise” covered under this Cyber Coverage. This definition is subject to the following provisions:

- a. "Affected individual" does not include any business or organization. Only an individual person may be an "affected individual".
- b. An "affected individual" may reside anywhere in the world.
- 2. **"Authorized Representative"** means a person or entity authorized by law or contract to act on behalf of an "identity recovery insured".
- 3. **"Authorized Third Party User"** means a party who is not an employee or a director of you who is authorized by contract or other agreement to access the "computer system" for the receipt or delivery of services.
- 4. **"Bodily Injury"** means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
- 5. **"Business Income and Extra Expense Loss"** means loss of Business Income and Extra Expense.
 - a. As used in this definition, Business Income means the sum of:
 - (1) Net income (net profit or loss before income taxes) that would have been earned or incurred; and
 - (2) Continuing normal and necessary operating expenses incurred, including employee and director payroll.
 - b. As used in this definition, Extra Expense means the additional cost you incur to operate your business over and above the cost that you normally would have incurred to operate your business during the same period had no "computer attack" occurred.
- 6. **"Claim"**
 - a. "Claim" means:
 - (1) A written demand for monetary damages or non-monetary relief, including injunctive relief;
 - (2) A civil proceeding commenced by the filing of a complaint;
 - (3) An arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent;
 - (4) Any other alternative dispute resolution proceeding in which such damages are claimed and to which you must submit or to which we agree you should submit to;

arising from a "wrongful act" or a series of interrelated "wrongful acts" including any resulting appeal.

- b. "Claim" does not mean or include:
 - (1) Any demand or action brought by or on behalf of someone who is:
 - (a) Your director;
 - (b) Your owner or part-owner; or
 - (c) A holder of your securities;
 in their capacity as such, whether directly, derivatively, or by class action. "Claim" will include proceedings brought by such individuals in their capacity as "affected individuals", but only to the extent that the damages claimed are the same as would apply to any other "affected individual"; or
 - (2) A "regulatory proceeding".
- c. Includes a demand or proceeding arising from a "wrongful act" that is a "personal data compromise" only when the "personal data compromise" giving rise to the proceeding was covered under Data Compromise Response Expenses section of this Cyber Coverage, and you submitted a "claim" to us and provided notifications and services to "affected individuals" in consultation with us pursuant to Data Compromise Response Expenses in connection with such "personal data compromise".
- 7. **"Computer Attack"**
 - a. "Computer attack" means one of the following involving the "computer system":
 - (1) An "unauthorized access incident";
 - (2) A "malware attack"; or
 - (3) A "denial of service attack" against a "computer system".
 - b. A "computer attack" ends at the earlier of:
 - (1) The time that the active attacking behavior ceases, the time that you have regained control over the "computer system" or the time that all unauthorized creation, destruction or movement of data associated with the "computer attack" has ceased, whichever happens latest; or
 - (2) 30 days after your discovery of the "computer attack".

8. **“Computer System”** means a computer or other electronic hardware that:

- a. Is owned or leased by you and operated under your control; or
- b. Is operated by a third party service provider used for the purpose of providing hosted computer application services to you or for processing, maintaining, hosting or storing your electronic data, pursuant to a written contract with you for such services. However, such computer or other electronic hardware operated by such third party shall only be considered to be a “computer system” with respect to the specific services provided by such third party to you under such contract.

9. **“Computer Fraud Costs”** means:

- a. The amount of “money” fraudulently obtained from you. “Computer fraud costs” include the direct financial loss only.
- b. “Computer fraud costs” do not include any of the following:
 - (1) Other expenses that arise from the “computer fraud event”;
 - (2) Indirect loss, such as “bodily injury”, lost time, lost wages, “identity recovery expenses” or damaged reputation;
 - (3) Any interest, time value or potential investment gain on the amount of financial loss; or
 - (4) Any portion of such amount that has been or can reasonably be expected to be reimbursed by a third party, such as a financial institution.

10. **“Computer Fraud Event”** means:

- a. An “unauthorized access incident” that leads to the intentional, unauthorized and fraudulent entry of or change to data or instructions within a “computer system” owned or leased by you and operated under your control. Such fraudulent entry or change must be conducted by a person who is not an “employee”, “executive” or “independent contractor”. Such fraudulent entry or change must cause “money” to be sent or diverted. The fraudulent entry or change must result in direct financial loss to you.
- b. “Computer fraud event” does not mean or include any occurrence:
 - (1) In which you are threatened or coerced to send money or divert a payment; or

- (2) Arising from a dispute or a disagreement over the completeness, authenticity or value of a product, a service or a financial instrument.

11. **“Coverage Term”** means the increment of time:

- a. Commencing on the earlier of the first inception date of this Cyber Coverage or the first inception date of any coverage substantially similar to that described in this Cyber Coverage and held immediately prior to this Cyber coverage; and
- b. Ending upon the “termination of coverage”.

12. **“Coverage Territory”** means:

- a. With respect to Data Compromise Response Expenses, Computer Attack, Cyber Extortion, Misdirected Payment Fraud, Computer Fraud and Identity Recovery, “coverage territory” means anywhere in the world.
- b. With respect to Data Compromise Liability, Network Security Liability and Electronic Media Liability, “coverage territory” means anywhere in the world, however “claims” must be brought within the United States (including its territories and possessions) or Puerto Rico.

13. **“Cyber Extortion Expenses”** means:

- a. The cost of a negotiator or investigator retained by you in connection with a “cyber extortion threat”; and
- b. Any amount paid by you in response to a “cyber extortion threat” to the party that made the “cyber extortion threat” for the purposes of eliminating the “cyber extortion threat” when such expenses are necessary and reasonable and arise directly from a “cyber extortion threat”. The payment of “cyber extortion expenses” must be approved in advance by us. We will not pay for “cyber extortion expenses” that have not been approved in advance by us. We will not unreasonably withhold our approval.

14. **“Cyber Extortion Threat”** means:

- a. “Cyber extortion threat” means a demand for money from you based on a credible threat, or series of related credible threats, to:
 - (1) Launch a “denial of service attack” against the “computer system” for the purpose of denying “authorized third party users” access to your services provided through the “computer system” via the Internet;

(2) Gain access to a "computer system" and use that access to steal, release or publish "personally identifying information", "personally sensitive information" or "third party corporate data";

(3) Alter, damage or destroy electronic data or software while such electronic data or software is stored within a "computer system";

(4) Launch a "computer attack" against a "computer system" in order to alter, damage or destroy electronic data or software while such electronic data or software is stored within a "computer system"; or

(5) Cause you to transfer, pay or deliver any funds or property using a "computer system" without your authorization.

b. "Cyber extortion threat" does not mean or include any threat made in connection with a legitimate commercial dispute.

15. "Data Re-creation Costs"

a. "Data re-creation costs" means the costs of an outside professional firm hired by you to research, re- create and replace data that has been lost or corrupted and for which there is no electronic source available or where the electronic source does not have the same or similar functionality to the data that has been lost or corrupted.

b. "Data re-creation costs" does not mean or include costs to research, re-create or replace:

(1) Software programs or operating systems that are not commercially available; or

(2) Data that is obsolete, unnecessary or useless to you.

16. "Data Restoration Costs"

a. "Data restoration costs" means the costs of an outside professional firm hired by you to replace electronic data that has been lost or corrupted. In order to be considered "data restoration costs", such replacement must be from one or more electronic sources with the same or similar functionality to the data that has been lost or corrupted.

b. "Data restoration costs" does not mean or include costs to research, re-create or replace:

(1) Software programs or operating systems that are not commercially available; or

(2) Data that is obsolete, unnecessary or useless to you.

17. "Defense Costs"

a. "Defense costs" means reasonable and necessary expenses consented to by us resulting solely from the investigation, defense and appeal of any "claim" or "regulatory proceeding" against you. Such expenses may include premiums for any appeal bond, attachment bond or similar bond. However, we have no obligation to apply for or furnish such bond.

b. "Defense costs" does not mean or include the salaries or wages of your employees, or directors, or your loss of earnings.

18. "Denial of Service Attack" means an intentional attack against a target computer or network of computers designed to overwhelm the capacity of the target computer or network in order to deny or impede authorized users from gaining access to the target computer or network through the Internet.

19. "Electronic Media Incident" means an allegation that the display of information in electronic form by you on a website resulted in:

a. Infringement of another's copyright, title, slogan, trademark, trade name, trade dress, service mark or service name;

b. Defamation against a person or organization that is unintended; or

c. A violation of a person's right of privacy, including false light and public disclosure of private facts.

20. "Employee" means any natural person, other than an "executive", who was, now is or will be:

a. Employed on a full-time or part-time basis by you;

b. Furnished temporarily to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions;

c. Leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in paragraph b.; or

d. Your volunteer worker, which includes unpaid interns.

21. **“Executive”** means any natural person who was, now is or will be:

- a. The owner of your sole proprietorship; or
- b. A duly elected or appointed:
 - (1) Director;
 - (2) Officer;
 - (3) Managing Partner;
 - (4) General Partner;
 - (5) Member (if a limited liability company);
 - (6) Manager (if a limited liability company); or
 - (7) Trustee;
 of your business.

22. **“Extended Income Loss”** means your actual “business income and extra expense loss” incurred during the “extended recovery period”.

23. **“Extended Recovery Period”** means a fixed period of 180 days immediately following the end of the “period of restoration”.

24. **“Identity Recovery Case Manager”** means one or more individuals assigned by us to assist an “identity recovery insured” with communications we deem necessary for re-establishing the integrity of the personal identity of the “identity recovery insured”. This includes, with the permission and cooperation of the “identity recovery insured”, written and telephone communications with law enforcement authorities, governmental agencies, credit agencies and individual creditors and businesses.

25. **“Identity Recovery Expenses”** means the following when they are reasonable and necessary expenses that are incurred as a direct result of an “identity theft” suffered by an “identity recovery insured”:

a. Re-Filing Costs

Costs for re-filing applications for loans, grants or other credit instruments that are rejected solely as a result of an “identity theft”.

b. Notarization, Telephone and Postage Costs

Costs for notarizing affidavits or other similar documents, long distance telephone calls and postage solely as a result of the “identity recovery insured’s” efforts to report an “identity theft” or amend or rectify records as to the “identity recovery insured’s” true name or identity as a result of an “identity theft”.

c. Credit Reports

Costs for credit reports from established credit bureaus.

d. Legal Costs

Fees and expenses for an attorney approved by us for the following:

- (1) The defense of any civil suit brought against an “identity recovery insured”.
- (2) The removal of any civil judgment wrongfully entered against an “identity recovery insured”.
- (3) Legal assistance for an “identity recovery insured” at an audit or hearing by a governmental agency.
- (4) Legal assistance in challenging the accuracy of the “identity recovery insured’s” consumer credit report.
- (5) The defense of any criminal charges brought against an “identity recovery insured” arising from the actions of a third party using the personal identity of the “identity recovery insured”.

e. Lost Wages

Actual lost wages of the “identity recovery insured” for time reasonably and necessarily taken away from work and away from the work premises. Time away from work includes partial or whole work days. Actual lost wages may include payment for vacation days, discretionary days, floating holidays and paid personal days. Actual lost wages does not include sick days or any loss arising from time taken away from self-employment. Necessary time off does not include time off to do tasks that could reasonably have been done during non-working hours.

f. Child and Elder Care Expenses

Actual costs for supervision of children or elderly or infirm relatives or dependents of the “identity recovery insured” during time reasonably and necessarily taken away from such supervision. Such care must be provided by a professional care provider who is not a relative of the “identity recovery insured”.

g. Mental Health Counseling

Actual costs for counseling from a licensed mental health professional. Such care must be provided by a professional care provider who is not a relative of the “identity recovery insured”.

h. Miscellaneous Unnamed Costs

Any other reasonable costs necessarily incurred by an "identity recovery insured" as a direct result of the "identity theft".

(1) Such costs include:

- (a)** Costs by the "identity recovery insured" to recover control over his or her personal identity.
- (b)** Deductibles or service fees from financial institutions.

(2) Such costs do not include:

- (a)** Costs to avoid, prevent or detect "identity theft" or other loss.
- (b)** Money lost or stolen.
- (c)** Costs that are restricted or excluded elsewhere in this Cyber Coverage or policy.

26. "Identity Recovery Insured" means the following:

- a.** When the entity insured under this Cyber Coverage is a sole proprietorship, the "identity recovery insured" is the individual person who is the sole proprietor of the insured identity.
- b.** When the entity insured under this Cyber Coverage is a partnership, the "identity recovery insureds" are the current partners.
- c.** When the entity insured under this Cyber Coverage is a corporation or other form of organization, other than those described in **a.** or **b.** above, the "identity recovery insureds" are all individuals having an ownership position of 20% or more of the insured entity. However, if, and only if, there is no one who has such an ownership position, then the "identity recovery insured" will be:

- (1)** The chief executive of the insured entity; or
- (2)** As respects a religious institution, the senior ministerial employee.

An "identity recovery insured" must always be an individual person. If the entity insured under this Cyber Coverage is a legal entity, that legal entity is not an "identity recovery insured".

27. "Identity Theft"

- a.** "Identity theft" means the fraudulent use of "personally identifying information". This includes fraudulently using such information to establish credit accounts, secure loans, enter into contracts or commit crimes.

- b.** "Identity theft" does not mean or include the fraudulent use of a business name, d/b/a or any other method of identifying a business activity.

28. "Independent Contractor" means a natural person that provides goods or services to you under terms specified in a written contract, but only while acting on behalf of, at the direction of, and under the supervision of you.

29. "Loss"

- a.** With respect to Data Compromise Response Expenses, "loss" means those expenses enumerated in Data Compromise Response Expenses, under **A.1.b.**
- b.** With respect to Computer Attack, "loss" means those expenses enumerated in Computer Attack, under **A.2.b.**
- c.** With respect to Cyber Extortion, "loss" means "cyber extortion expenses".
- d.** With respect to Misdirected Payment Fraud, "loss" means "wrongful transfer costs".
- e.** With respect to Computer Fraud, "loss" means "computer fraud costs".
- f.** With respect to Data Compromise Liability, Network Security Liability and Electronic Media Liability, "loss" means "defense costs" and "settlement costs".
- g.** With respect to Identity Recovery, "loss" means those expenses enumerated in Identity Recovery, under **A.9.b.**

30. "Malware Attack"

- a.** "Malware attack" means an attack that damages a "computer system" or data contained therein arising from malicious code, including viruses, worms, Trojans, spyware and keyloggers.
- b.** "Malware attack" does not mean or include damage from shortcomings or mistakes in legitimate electronic code or damage from code installed on your "computer system" during the manufacturing process or normal maintenance.

31. "Money" means:

- a.** "Money" means a medium of exchange in current use and authorized or adopted by a domestic or foreign government, including currency, coins, banknotes, bullion, travelers' checks, registered checks and money orders held for sale to the public.

- b. "Money" does not mean or include any cryptocurrency, whether or not authorized or adopted by a domestic or foreign government. Cryptocurrency includes, but is not limited to, Bitcoin, Ethereum and other forms of digital, virtual or electronic currency.

32. "Network Security Incident" means a negligent security failure or weakness with respect to a "computer system" which allowed one or more of the following to happen:

- a. The unintended propagation or forwarding of malware, including viruses, worms, Trojans, spyware and keyloggers. Malware does not include shortcomings or mistakes in legitimate electronic code;
- b. The unintended abetting of a "denial of service attack" against one or more other systems; or
- c. The unintended loss, release or disclosure of "third party corporate data".

33. "Period of Restoration" means the period of time that begins 8 hours after the time that a "computer attack" is discovered by you and continues until the earliest of:

- a. The date that all data restoration, data re-creation and system restoration directly related to the "computer attack" has been completed;
- b. The date on which such data restoration, data re-creation and system restoration could have been completed with the exercise of due diligence and dispatch; or
- c. If no data restoration, data re-creation or system restoration is required, the end of the "computer attack".

34. "Personal Data Compromise" means the loss, theft, accidental release or accidental publication of "personally identifying information" or "personally sensitive information" as respects one or more "affected individuals". If the loss, theft, accidental release or accidental publication involves "personally identifying information", such loss, theft, accidental release or accidental publication must result in or have the reasonable possibility of resulting in the fraudulent use of such information. This definition is subject to the following provisions:

- a. At the time of the loss, theft, accidental release or accidental publication, the "personally identifying information" or "personally sensitive information" need not be at the insured premises but must be in the direct care, custody or control of:

- (1) You; or

- (2) A professional entity with which you have a direct relationship and to which you (or an "affected individual" at your direction) have turned over (directly or via a professional transmission or transportation provider) such information for storage, processing, transmission or transportation of such information.

- b. "Personal data compromise" includes disposal or abandonment of "personally identifying information" or "personally sensitive information" without appropriate safeguards such as shredding or destruction, provided that the failure to use appropriate safeguards was accidental and not reckless or deliberate.

- c. "Personal data compromise" includes situations where there is a reasonable cause to suspect that such "personally identifying information" or "personally sensitive information" has been lost, stolen, accidentally released or accidentally published, even if there is no firm proof.

- d. All incidents of "personal data compromise" that are discovered at the same time or arise from the same cause will be considered one "personal data compromise".

35. "Personally Identifying Information"

- a. "Personally identifying information" means information, including health information, that could be used to commit fraud or other illegal activity involving the credit, access to health care or identity of an "affected individual" or "identity recovery insured". This includes, but is not limited to, Social Security numbers or account numbers.

- b. "Personally identifying information" does not mean or include information that is otherwise available to the public, such as names and addresses.

36. "Personally Sensitive Information"

- a. "Personally sensitive information" means private information specific to an individual the release of which requires notification of "affected individuals" under any applicable law.

- b. "Personally sensitive information" does not mean or include "personally identifying information".

37. **“Policy Period”** means the period commencing on the effective date shown in the Declarations. The “policy period” ends on the expiration date shown in the Declarations or the cancellation date of this Cyber Coverage, whichever comes first.

38. **“Property Damage”** means

- a. Physical injury to or destruction of tangible property including all resulting loss of use; or
- b. Loss of use of tangible property that is not physically injured.

39. **“Regulatory Proceeding”** means an investigation, demand or proceeding alleging a violation of law or regulation arising from a “personal data compromise” brought by, or on behalf of, the Federal Trade Commission, Federal Communications Commission or other administrative or regulatory agency, or any federal, state, local or foreign governmental entity in such entity’s regulatory or official capacity.

40. **“Settlement Costs”**

- a. “Settlement costs” means the following, when they arise from a “claim”:
 - (1) Damages, judgments or settlements; and
 - (2) Attorney’s fees and other litigation costs added to that part of any judgment paid by us, when such fees and costs are awarded by law or court order; and
 - (3) Pre-judgment interest on that part of any judgment paid by us.
- b. “Settlement costs” does not mean or include:
 - (1) Civil or criminal fines or penalties imposed by law, except for civil fines and penalties expressly covered under Data Compromise Response Expenses;
 - (2) Punitive and exemplary damages;
 - (3) The multiple portion of any multiplied damages;
 - (4) Taxes; or
 - (5) Matters which may be deemed uninsurable under the applicable law.

c. With respect to fines and penalties, the law of the jurisdiction most favorable to the insurability of those fines, or penalties will control for the purpose of resolving any dispute between us and you regarding whether the fines, or penalties specified in this definition above are insurable under this Cyber Coverage, provided that such jurisdiction:

- (1) Is where those fines, or penalties were awarded or imposed;
- (2) Is where any “wrongful act” took place for which such fines, or penalties were awarded or imposed;
- (3) Is where you are incorporated or you have your principal place of business; or
- (4) Is where we are incorporated or have our principal place of business.

41. **“System Restoration Costs”**

- a. “System restoration costs” means the costs of an outside professional firm hired by you to do any of the following in order to restore your “computer system” to its pre-“computer attack” level of functionality:
 - (1) Replace or reinstall computer software programs;
 - (2) Remove any malicious code; and
 - (3) Configure or correct the configuration of your “computer system”.
- b. “System restoration costs” does not mean or include:
 - (1) Costs to increase the speed, capacity or utility of a “computer system” beyond what existed immediately prior to the “computer attack”;
 - (2) Labor costs of your employees or directors;
 - (3) Any costs in excess of the actual cash value of your “computer system”; or
 - (4) Costs to repair or replace hardware.

42. **“Termination of Coverage”** means:

- a. You or we cancel this coverage;
- b. You or we refuse to renew this coverage; or
- c. We renew this coverage on an other than claims-made basis or with a retroactive date later than the date of the first inception of this coverage or any coverage substantially similar to that described in this Cyber Coverage.

43. "Third Party Corporate Data"

- a. "Third party corporate data" means any trade secret, data, design, interpretation, forecast, formula, method, practice, credit or debit card magnetic strip information, process, record, report or other item of information of a third party not an insured under this Cyber Coverage which is not available to the general public and is provided to you subject to a mutually executed written confidentiality agreement or which you are legally required to maintain in confidence.
- b. "Third party corporate data" does not mean or include "personally identifying information" or "personally sensitive information".

44. "Unauthorized Access Incident" means the gaining of access to a "computer system" by:

- a. An unauthorized person or persons; or
- b. An authorized person or persons for unauthorized purposes.

45. "Wrongful Act"

- a. With respect to Data Compromise Liability, "wrongful act" means a "personal data compromise".
- b. With respect to Network Security Liability, "wrongful act" means a "network security incident".
- c. With respect to Electronic Media Liability, "wrongful act" means an "electronic media incident".

46. "Wrongful Transfer Costs" means the amount of "money" fraudulently obtained from you. "Wrongful transfer costs" include the direct financial loss only. "Wrongful transfer costs" do not include any of the following:

- a. Other expenses that arise from the "wrongful transfer event";
- b. Indirect loss, such as "bodily injury", lost time, lost wages, identity recovery expenses or damaged reputation;
- c. Any interest, time value or potential investment gain on the amount of financial loss; or
- d. Any portion of such amount that has been or can reasonably be expected to be reimbursed by a third party, such as a financial institution.

47. "Wrongful Transfer Event"

- a. "Wrongful transfer event" means an intentional and criminal deception of you or a financial institution with which you have an account. The deception must be perpetrated by a person who is not an "employee", "executive" or "independent contractor" using email, facsimile or telephone communications to induce you or the financial institution to send or divert "money". The deception must result in direct financial loss to you.
- b. "Wrongful transfer event" does not mean or include any occurrence:
 - (1) In which you are threatened or coerced to send money or divert a payment; or
 - (2) Arising from a dispute or disagreement over the completeness, authenticity or value of a product, a service or a financial instrument.

All other provisions of this policy apply.

COMMERCIAL PROPERTY
CP 01 49 06 07

ILLINOIS CHANGES – ARTIFICIALLY GENERATED ELECTRICAL CURRENT EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

A. The exclusion set forth in:

1. Paragraph **B.2.a.** of the Standard Property Policy, the Causes Of Loss – Basic Form, the Causes Of Loss – Broad Form and the Causes Of Loss – Special Form; and
2. Paragraph **B.2.b.** of the Mortgageholders Errors And Omissions Coverage Form

is replaced by the following exclusion:

We will not pay for loss or damage caused by or resulting from artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires.

But if artificially generated electrical current results in fire, we will pay for the loss or damage caused by that fire.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

CYBER SUITE COVERAGE

1. C. LIMITS OF INSURANCE, 1. Aggregate Limits is deleted and replaced with the following:

1. Aggregate Limits

The First Party Annual Aggregate Limit shown in the Schedule is the most we will pay for all "loss" under all the Data Compromise Response Expenses, Computer Attack, Cyber Extortion, Misdirected Payment Fraud, and Computer Fraud coverages in any one "policy period". The First Party Annual Aggregate Limit shown in the Schedule applies regardless of the number of insured events first discovered during the "policy period".

Except for pre- and post-judgment interest, the Third Party Annual Aggregate Limit shown in the Schedule is the most we will pay for all "loss" under all applicable coverage sections in any one "policy period" or any applicable Extended Reporting Period. The Third Party Annual Aggregate Limit shown in the Schedule applies regardless of the number of insured "claims" or "regulatory proceedings" first received during the "policy period" or any applicable Extended Reporting Period.

If a Cyber Suite Annual Aggregate limit is shown in the Schedule, then, except for pre- and post-judgment interest, the Cyber Suite Annual Aggregate Limit shown in the Schedule is the most we will pay for all "loss" under all applicable coverage sections, except Identity Recovery, in any one "policy period" or any applicable Extended Reporting Period. The Cyber Suite Annual Aggregate Limit shown in the Schedule applies regardless of the number of insured events first discovered or "claims" or "regulatory proceedings" first received during the "policy period" or any applicable Extended Reporting Period.

The Identity Recovery Coverage is subject to the Identity Recovery Limit as shown in the Schedule.

2. E. ADDITIONAL CONDITIONS, 2. Defense And Settlement, Paragraph **f.** is deleted and replaced with the following:

f. We will pay all interest on that amount of any judgment within the applicable limit of insurance which accrues:

- (1)** Before entry of judgment; and
- (2)** After entry of judgment but before we pay, offer to pay or deposit in court that part of the judgment within the applicable limit of insurance or, in any case, before we pay or offer to pay the entire applicable limit of insurance.

These interest payments shall be in addition to and not part of the applicable limit of insurance.

3. The following is added to E. ADDITIONAL CONDITIONS, 6. Legal Action Against Us:

The two year period for legal action against us is extended by the number of days between the date the statement of "loss" is filed with us and the date we deny the claim in whole or in part.

4. E. ADDITIONAL CONDITIONS, 8. Other Insurance is deleted and replaced with the following:

8. Other Insurance

If there is other similar insurance that applies to the same "loss" we will proportionately share payment of the amount of "loss" with the other insurance company.

5. F. DEFINITIONS, 17. "Defense Costs", Paragraph **b.** is deleted and replaced with the following:

b. "Defense costs" does not mean or include the salaries of your or our employees, officers or staff attorneys, or your loss of earnings.

6. F. DEFINITIONS, 40. "Settlement Costs", Paragraph **a.** is deleted and replaced with the following:

a. "Settlement costs" means the following, when they arise from a "claim":

- 1)** Damages, judgments or settlements; and
- 2)** Attorney's fees and other litigation costs added to that part of any judgment paid by us, when such fees and costs are awarded by law or court order.

West Bend Mutual Insurance Company
West Bend, Wisconsin 53095

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Endorsement

Auto Dealers Coverage Declarations**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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Form of Business:

LLC and Corporation

In return for the payment of the premium, and subject to all the terms of this Policy, we agree with you to provide the insurance as stated in this Policy.

ITEM TWO: Schedule Of Coverages And Covered Autos

This Policy provides only those coverages where a charge and limit, if applicable, are shown in the columns below. Each of the "auto"-related coverages will apply only to those "autos" shown as covered "autos". "Autos" are shown as covered "autos" for the particular coverages by the entry of one or more of the symbols from Section I – Covered Autos Coverages of the Auto Dealers Coverage Form next to the name of the "auto"-related coverage.

Coverages	Covered Autos	Limit Or Deductible	Premium
Covered Autos Liability	21	\$1,000,000 Each Accident	\$12,004
General Liability Bodily Injury And Property Damage Liability		\$1,000,000 Each "Accident"	Included
Damages to Premises Rented To You		\$300,000 Any One Premises	Included
Personal and Advertising Injury Liability		\$1,000,000 Any One Person Or Organization	Included
		\$3,000,000 General Liability Aggregate	
		\$3,000,000 Products And Work You Performed Aggregate	
Acts, Errors Or Omissions Liability		\$1,000,000 Aggregate \$1,000 Deductible	\$396
Locations And Operations Medical Payments		\$5,000 Any One Person	\$506
Auto Medical Payments	21	\$5,000 Each Insured See Item Seven For Covered Autos Insured On A Specified Car Basis	\$32



Endorsement

Auto Dealers Coverage Declarations**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

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Uninsured Motorist	26, 28, 29	Separately Stated In Each State Specific Endorsement	\$43
Underinsured Motorist	26, 28, 29	Separately Stated In Each State Specific Endorsement	\$201
Garagekeepers Comprehensive	30	Separately Stated For Each Location In ITEM FIVE	\$110
Garagekeepers Collision	30	Separately Stated For Each Location In ITEM FIVE	\$164
Physical Damage Comprehensive Coverage	27, 31	See ITEM SIX For Dealers Autos. See ITEM SEVEN For Specified Auto Deductible.	\$2,162
Physical Damage Collision Coverage	27, 31	See ITEM SIX For Dealers Blanket Collision Autos. See ITEM SEVEN For Specified Auto Deductible.	\$741

Endorsements and Miscellaneous Premiums (See Endorsement and Miscellaneous Schedule):

\$722

Total Commercial Auto Premium:

\$17,081

Number of Dealer Plates for Uninsured Motorist and Underinsured Motorist (if applicable): 2

See attached Forms Schedule for forms and endorsements applicable to this coverage.



Endorsement

Auto Dealers Location and Liability Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076**Agency Name and Address:**ROBERTSON-RYAN & ASSOC INC
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630-468-5400

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ITEM THREE: Locations Where You Conduct Auto Dealer Operations

Loc	Location Address (State your main business location first)	Auto Dealer Classification
2	7501 Channel Rd/3215 Birchwood Skokie, IL 60076-4051	Non Franchised
1	7445 Channel Rd Skokie, IL 60076-4042	Non Franchised

ITEM FOUR: Liability And Personal Injury Protection (Or Equivalent Or Similar No-fault Coverages) – Premiums

Loc	Classes Of Operators	Number Of Persons	Rating Factor	Rating Units	Premiums			
					Liability	Dealers Medical Payments*	Personal Injury Protection	Acts, Errors Or Omissions
2	Class I – Employees Regular Operators				\$1,940	\$97		\$76
	Full-time	1.00	1.00	1.000				
	Part-time							
	Class I – Employees All Other							
	Full-time							
	Part-time							
	Class II – Non-employees Under Age 25							
	Class II – Non-employees 25 Or Over							
	All Employees (Only For Trailer Dealers)							



Endorsement

Auto Dealers Location and Liability Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

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1	Class I – Employees Regular Operators				\$8,147	\$409		\$320
	Full-time	1.00	1.00	1.000				
	Part-time							
	Class I – Employees All Other							
	Full-time	8.00	.40	3.200				
	Part-time							
	Class II – Non-employees Under Age 25							
	Class II – Non-employees 25 Or Over							
	All Employees (Only For Trailer Dealers)							

Total Premium:

\$10,989

* If the Location of this Auto Dealer Operation is in Virginia, Dealers Medical Payments is replaced with Dealers Medical Expense And/OR Income Loss Benefits (Virginia Only); refer to Virginia Medical Expense And Income Loss Benefits Endorsement.

DEFINITIONS**Class I – Employees**

Regular Operator: Proprietors, partners and officers active in the "auto dealer operations", salespersons, general managers, service managers, any "employee" whose principal duty involves the operation of covered "autos" or who is furnished a covered "auto".

All Others: All other "employees".

NOTE:

1. Part-time "employees" working an average of 20 hours or more a week for the number of weeks worked are to be counted as one full-time person each.
2. Part-time "employees" working an average of less than 20 hours a week for the number of weeks worked are to be counted as one part-time person each.



Endorsement

Auto Dealers Location and Liability Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:Siglers Automotive and Body Shop, Inc
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Class II – Nonemployees

Any of the following persons who are regularly furnished with a covered "auto": inactive proprietors, partners or officers and the relatives of any person described in Class I.



Endorsement

Auto Dealers Garagekeepers Schedule**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076**Agency Name and Address:**ROBERTSON-RYAN & ASSOC INC
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ITEM FIVE: Garagekeepers Coverages And Premiums

Loc	Coverages	Limit Of Insurance	Deductible	Premium
1	Comprehensive	\$150,000	\$1,000 for All Perils For Each "Customer's Auto" \$5,000 Maximum Deductible For All "Loss" In Any One Event	\$110
	Collision	\$150,000	\$500 for each Customer's Auto	\$164

Total Garagekeepers Premium: \$274

Direct Coverage Option

Indicate below with an "X" if the Direct Coverage Option is selected.

☒ **Modified Direct Insurance**

If this box is checked, at the option of the named insured, Garagekeepers Coverage may be changed to apply without regard to your or any other "insured's" legal liability for "loss" to a "customer's auto" or, alternately, may apply on a legal liability basis.



Endorsement

Auto Dealers Physical Damage Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076**Agency Name and Address:**ROBERTSON-RYAN & ASSOC INC
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ITEM SIX: Physical Damage Coverage – Types Of Covered Autos And Interests In These Autos – Premiums – Reporting Or Nonreporting

Each of the following Physical Damage Coverages that is indicated in ITEM TWO applies only to the types of "autos" and interests indicated below by "X".

Coverages	Types Of Autos		Interests Covered			
	New Autos	Used Autos, Demonstrators And Service Vehicles	Your Interest In Covered Autos You Own	Your Interest Only In Financed Covered Autos	Your Interest And The Interest Of Any Creditor Named As A Loss Payee	All Interests In Any Auto Not Owned By You Or Any Creditor While In Your Possession On Consignment For Sale
Comprehensive	X	X				
Collision	X	X				

Loc	Coverages	Limit Of Insurance	Deductible	Premium
1	Comprehensive	\$150,000	\$500 For All Perils For Each Covered Auto \$2,500 Maximum Deductible For All Loss In Any One Event	\$1,043
2	Comprehensive	\$150,000	\$500 For All Perils For Each Covered Auto \$2,500 Maximum Deductible For All Loss In Any One Event	\$1,043
All	Blanket Collision	\$300,000	\$500 for each Covered Auto	\$616

Total Premium For All Locations: \$2,702

Premium Basis – Reporting (Quarterly or Monthly) or Nonreporting (Indicate Basis Agreed Upon By "X".)
☐ **Reporting Basis** (Quarterly or Monthly as indicated below by "X")



Endorsement

Auto Dealers Physical Damage Schedule**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

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You must report to us on our form the location of your covered "autos" and their total value at each such location. For your main sales location identified as location Number 1, you must include the total value of all covered "autos" you have furnished or made available to yourself, your executives, your "employees" or family members and other Class II – Nonemployees, and covered "autos" that are temporarily displayed or stored at locations other than those stated in ITEM THREE. For your main sales location you must include the total value of all service vehicles.

Your Reporting Basis Is:☐**Quarterly**

You must give us your first report by the 15th of the fourth month after the policy begins. Your subsequent reports must be given to us by the 15th of every third month. Your reports must contain the value for the last business day of every third month coming within the policy period.

☐**Monthly**

You must give us your reports by the 15th of every month. Your reports will contain the total values you had on the last business day of the preceding month.

Premiums will be calculated pro rata of the annual premium for the exposures contained in each report. At the end of each policy year, we will add the monthly premiums or the quarterly premiums to determine your final premium due for the entire policy year. The estimated total premiums shown above will be credited against the final premium due.

☒**Nonreporting Basis**

Stated limit of insurance above applies.



Endorsement

Auto Dealers Specified Car Schedule

Customer Number: 1000122645

Policy Number: B010120 05

Policy Period: 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
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630-468-5400

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ITEM SEVEN: Schedule Of Covered Autos Which Are Furnished To Someone Other Than A Class I Or Class II Operator Or Are Insured On A Specified Car Basis

Veh No.	Description	Original Cost New	Stated Amount	Total Vehicle Premium
	Year, Make, Model, Vehicle Identification Number (VIN)			
4	2012 FORD F550 1FDUF5GT9CEA83704	\$52,707		\$1,285
5	2000 FORD F550 1FDAF56S7YEB05671	\$39,831		\$951

Veh No.	Classification				Territory	
	Radius Of Operation	Use	Size	Seating Capacity	Garaging Location	Class Code
4	Local	Service	Medium		Skokie, IL 60076-4042	7878
5	Local	Service	Medium		Skokie, IL 60076-4042	7878

Veh No.	Covered Autos Liability		Personal Injury Protection (See state specific PIP endorsement for limits)			
	CSL	Premium	Deductible	Premium	Michigan Only	
					Property Protection	Property Protection Deductible
4	\$1,000,000	\$1,066				
5	\$1,000,000	\$823				



Endorsement

Auto Dealers Specified Car Schedule

Customer Number: 1000122645

Policy Period: 12/01/2022 to 12/01/2023

Policy Number: B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

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Veh No.	Auto Medical Payments		Medical Expense And/Or Income Loss Benefits (Virginia Only) Limit stated in the Medical Expense And Income Loss Endorsement	
	Limit	Premium	Medical Expense Premium	Income Loss Premium
4	\$5,000	\$16		
5	\$5,000	\$16		

Veh No.	Uninsured Motorist			Underinsured Motorist		Defensive Driver Credit	Dual Control	AntiTheft Discount
	CSL	PD Limit	Premium	CSL	Premium			
4	\$1,000,000		\$10	\$1,000,000	\$47			
5	\$1,000,000		\$10	\$1,000,000	\$47			

Veh No.	Comprehensive			Specified Causes of Loss		
	Deductible For Loss Caused By Theft Or Mischief Or Vandalism*	Deductible For All Perils*	Premium	Type	Deductible For All Perils*	Premium
4		\$1,000	\$52			
5		\$1,000	\$24			

* A maximum deductible may also apply. Refer to Coverage Form for details.

Veh No.	Collision			Towing And Labor		Audio/Visual/Data Electronic Equipment		Tapes
	Type (MI Only)	Deductible	Premium	Limit	Premium	Limit	Premium	Premium
4		\$1,000	\$94					
5		\$1,000	\$31					



Endorsement

Auto Dealers Hired or Borrowed Schedule**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076**Agency Name and Address:**ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

12778

ITEM EIGHT: Schedule Of Hired Or Borrowed Covered Auto Coverage And Premiums

State	Covered Autos Liability Coverage – Cost Of Hire Rating Basis (Other Than Mobile Or Farm Equipment)		Auto Medical Payments Premium*	Uninsured Motorists Premium (IL & WI Only)	Underinsured Motorists Premium (IL & WI Only)
	Estimated Annual Cost Of Hire For Each State	Premium			
IL	If Any	\$28	\$0	\$1	\$3

Total Hired Auto Premium: \$32

* If the state is VA, Auto Medical Payments is replaced with Medical Expense Benefits (VA only) Premium.

Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.



Endorsement

Auto Dealers Endorsements and Miscellaneous Premiums**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076**Agency Name and Address:**ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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Additional Insureds

Description	Form Number	Premium
Additional Insured - Not Otherwise Classified	WB1450CA	\$50

Endorsements

Description	Form Number	Premium
Optional Limits - Loss Of Use Expenses	CA9990	\$50
Broad Form Products and Work You Performed Coverage Endorsement	WB2002	\$250
EMPLOYMENT PRACTICES LIABILITY ENDORSEMENT	WB516CA	\$270
False Pretense Coverage	CA2503	\$52
Plus Pak – Liability	WB2000CA	\$50

Miscellaneous Premiums

Description	Form Number	Premium
Additional Insured - State or Governmental Agency or Subdivision or Political Subdivision – Permits or Authorizations Relating To Premises Change Endorsement - Illinois	WB100 CA IL	\$

Total Endorsement and Miscellaneous Premium: \$722



Endorsement

Auto Dealers Forms Schedule**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

12778

Forms Schedule

Number	Edition	Description
CA2054	1120	EMPLOYEE HIRED AUTOS
CA2345	1120	PUBLIC OR LIVERY PASSENGER CONVEYANCE AND ON-DEMAND DELIVERY SERVICES EXCLUSION
WB100CAIL	0414	CHANGE ENDORSEMENT - ILLINOIS
WB2002	0118	BROAD FORM PRODUCTS AND WORK YOU PERFORMED COVERAGE ENDORSEMENT
WB2086	0118	PRIOR DAMAGE DISCLOSURE ERRORS AND OMISSIONS COVERAGE
WB2000CA	0820	PLUS PAK - LIABILITY
WB2583CA	0414	ADDITIONAL INTEREST NAME EXTENSION
WB1468CA	0118	EXCLUSION - ASBESTOS OR ASBESTOS PRODUCTS
WB1450CA	0118	ADDITIONAL INSURED - NOT OTHERWISE CLASSIFIED
WB516CA	0420	EMPLOYMENT PRACTICES LIABILITY ENDORSEMENT
CA2055Z	1013	FELLOW EMPLOYEE COVERAGE
CA2503	1013	FALSE PRETENSE COVERAGE
CA2524	1013	EXCLUSION - YEAR 2000 COMPUTER-RELATED AND OTHER ELECTRONIC PROBLEMS - WITH EXCEPTION FOR BODILY INJURY ON YOUR PREMISES
CA9903	1013	AUTO MEDICAL PAYMENTS COVERAGE
CA9990	1013	OPTIONAL LIMITS - LOSS OF USE EXPENSES



West Bend Mutual Insurance Company
1900 S. 18th Ave. | West Bend, WI 53095

Endorsement

Auto Dealers Forms Schedule

Customer Number: 1000122645

Policy Number: B010120 05

Policy Period: 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

12778

Forms Schedule

Number	Edition	Description
WB2752	0118	LOSS TO CUSTOMERS PERSONAL PROPERTY
CA0025	1120	AUTO DEALERS COVERAGE FORM
CA2705Z	1120	UNMANNED AIRCRAFT EXCLUSION FOR GENERAL LIABILITY
CA0270	0118	ILLINOIS CHANGES - CANCELLATION AND NONRENEWAL
WB372CA	1122	ILLINOIS EMPLOYMENT PRACTICES LIABILITY INSURANCE AMENDATORY ENDORSEMENT (CLAIMS-MADE)
CA0104	0115	ILLINOIS CHANGES - AUTO DEALERS COVERAGE FORM
CA2130	0115	ILLINOIS UNINSURED MOTORISTS COVERAGE
CA2138	1013	ILLINOIS UNDERINSURED MOTORISTS COVERAGE

COMMERCIAL AUTO
CA 20 54 11 20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYEE HIRED AUTOS

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Covered Autos Liability Coverage

The following is added to the **Who Is An Insured** provision:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

For Hired Auto Physical Damage Coverage, any covered "auto" hired or rented by your "employee" under a contract in an "employee's" name, with your permission, while performing duties related to the conduct of your business is deemed to be a covered "auto" you own.

B. Changes In General Conditions

Paragraph **5.b.** of the **Other Insurance** Condition in the Business Auto and Auto Dealers Coverage Forms and Paragraph **5.f.** of the **Other Insurance – Primary And Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form are amended by the addition of the following:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PUBLIC OR LIVERY PASSENGER CONVEYANCE AND ON-DEMAND DELIVERY SERVICES EXCLUSION

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Covered Autos Liability Coverage

The following exclusion is added:

Public Or Livery Passenger Conveyance And On-demand Delivery Services

This insurance does not apply to any covered "auto" while being used:

1. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
2. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

B. Changes In Physical Damage Coverage

The following exclusion is added:

We will not pay for "loss" to any covered "autos" while being used:

1. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or

2. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

C. Changes In Auto Medical Payments

If Auto Medical Payments Coverage is attached, then the following exclusion is added:

Public Or Livery Passenger Conveyance And On-demand Delivery Services

This insurance does not apply to:

"Bodily injury" sustained by an "insured" "occupying" a covered "auto" while it is being used:

1. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
2. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

D. Changes In Uninsured And/Or Underinsured Motorists Coverage

1. If Uninsured and/or Underinsured Motorists Coverage is attached, and:
 - a. Contains, in whole or in part, a public or livery exclusion, then the following exclusion in Paragraph 2. does not apply.
 - b. Does not contain a public or livery exclusion, then the following exclusion in Paragraph 2. is added.

2. Public Or Livery Passenger Conveyance And On-demand Delivery Services

This insurance does not apply to any covered "auto" while being used:

- a. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
- b. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

E. Changes In Personal Injury Protection Coverage

1. If Personal Injury Protection, no-fault or other similar coverage is attached, and:
 - a. Contains, in whole or in part, a public or livery exclusion, then the following exclusion in Paragraph 2. does not apply.
 - b. Does not contain a public or livery exclusion, then the following exclusion in Paragraph 2. is added.

2. Public Or Livery Passenger Conveyance And On-demand Delivery Services

This insurance does not apply to any covered "auto" while being used:

- a. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
- b. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

F. Additional Definitions

As used in this endorsement:

1. "Delivery network platform" means an online-enabled application or digital network, used to connect customers:
 - a. With drivers; or
 - b. With local vendors using drivers; for the purpose of providing prearranged "delivery services" for compensation. A "delivery network platform" does not include a "transportation network platform".
2. "Delivery services" includes courier services.
3. "Occupying" means in, upon, getting in, on, out or off.
4. "Transportation network platform" means an online-enabled application or digital network used to connect passengers with drivers using vehicles for the purpose of providing prearranged transportation services for compensation.

POLICY NUMBER: B010120

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CHANGE ENDORSEMENT – ILLINOIS

Named Insured: Siglers Automotive and Body Shop, Inc

Effective Date of Change: 03/10/2023

Page 1 of 2

This endorsement modifies insurance provided under the following:

Auto Dealers Coverage Form

☐ Coverage Forms

☐ Declarations Page

☐ Effective/Expiration Date

☒ Other (Use to modify coverage to meet unusual or peculiar risk situations)

The item(s) indicated above is (are) changed to read:

Additional Insured – State or Governmental Agency or Subdivision or Political Subdivision – Permits or Authorizations Relating To Premises

Schedule:

State or Governmental Agency or Subdivision or Political Subdivision: City of Chicago Department of Transportation - Driveway Permits, 121 N LaSalle St Room 905 Chicago, IL 60602

A. Paragraph D. Who Is An Insured of Section II – General Liability Coverages is amended to include as an “insured” any state or governmental agency or subdivision or political subdivision shown in the Schedule, subject to the following additional provision:

This insurance applies only with respect to the following hazards for which the state or governmental agency or subdivision or political subdivision has issued a permit or authorization in connection with premises you own, rent or control and to which this insurance applies:

1. The existence, maintenance, repair, construction, erection or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners or decorations and similar exposures; or

2. The construction, erection or removal of elevators; or

3. The ownership, maintenance or use of any elevators covered by this insurance.

However:

1. The insurance afforded to such “insured” only applies to the extent permitted by law; and

2. If coverage provided to the “insured” is required by a contract or agreement, the insurance afforded to such “insured” will not be broader than that which you are required by the contract or agreement to provide for such “insured”.

POLICY NUMBER: B010120

Page 2 of 2

B. With respect to the insurance afforded to the “insured” described in Paragraph A. of this endorsement, the following is added to Paragraph F. Limits Of Insurance – General Liability Coverages:

If coverage provided to the “insured” is required by a contract or agreement, the most we will pay on behalf of the “insured” is the amount of insurance:

1. Required by the contract or agreement; or
 2. Available under the applicable limits of insurance;
- whichever is less.

This endorsement shall not increase the applicable limits of insurance.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BROAD FORM PRODUCTS AND WORK YOU PERFORMED COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Paragraph A. Bodily Injury And Property Damage Liability of Section II – General Liability Coverages is changed as follows:

Exclusions **2.h. Defective Products** and **2.i. Work You Performed** do not apply. However, subject to the General Liability Bodily Injury And Property Damage Liability Each "Accident" Limit, the coverage only applies to that amount of "property damage" to your "products" or "work you performed" that exceeds \$500 for any one "accident".

B. Paragraph E. Garagekeepers Coverage of Section I – Covered Autos Coverages is changed as follows:

Exclusions **4.a.(3) Defective Parts** and **4.a.(4) Faulty Work** do not apply. However, subject to the applicable Garagekeepers Coverage Limit, this coverage only applies to that amount of "loss" to your "parts" or "work you performed" that exceeds the applicable Garagekeepers deductible or \$500 for any one "loss", whichever is larger.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PRIOR DAMAGE DISCLOSURE
ERRORS AND OMISSIONS COVERAGE**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

Paragraph **B.** of **Section V – Definitions** is amended by the addition of the following:

Out of the insured's failure to comply with any local, state or federal law or regulation concerning the disclosure of prior damage to consumers in connection with the sale of an "auto" in your "auto dealer operations".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PLUS PAK – LIABILITY

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

- A.** The following exception is added to Exclusion **d.** under Paragraphs **4. Exclusions** of **Section I – D. Covered Autos Liability Coverage** and **2. Exclusions** of **Section II – Coverage A – Bodily Injury And Property Damage Liability**:

Stop Gap Liability

This exclusion does not apply to "bodily injury" to an "employee" of the insured arising out of and in the course of employment by the insured, provided such "employee" is reported and declared under the Workers' Compensation Fund of the State(s) of North Dakota, Ohio, Washington, or Wyoming, whichever is applicable as respects such injured "employee".

The insurance provided by this coverage extension does not apply to:

- 1.** Punitive or exemplary damage because of "bodily injury" to an "employee" employed in violation of law;
- 2.** "Bodily injury" to an "employee" while employed in violation of law with your actual knowledge or the actual knowledge of any of your executive officers;
- 3.** Damages arising out of the discharge of, coercion of, or discrimination against any "employee" in violation of law.

- B. Supplementary Payments** Paragraphs **(4)** of **Section I – D.3. Coverage Extensions** and **E.3.** of **Section II – General Liability Coverages** are replaced by:

All reasonable expenses incurred by the "insured", at our request, including actual loss of earnings, up to \$300 a day, because of time off from work.

- C.** Paragraph **6.a.** of **Section II – D. Who Is An Insured** is replaced by:

- a.** Coverage under this provision is afforded only until the 180th day after you acquire or form the "auto" dealership or the end of the policy period, whichever is earlier and;

ADDITIONAL INTEREST NAME EXTENSION

An Additional Interest that requires additional space to display the complete name is shown in the schedule of this endorsement.

SCHEDULE

Form Applicable to Additional Interest:

WB1450CA Additional Insured - Not Otherwise Classified

Additional Interest Name:

City of Chicago Department of Transpiration - Driveway Permits

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ASBESTOS OR ASBESTOS PRODUCTS

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

This insurance does not apply to:

“Bodily injury” or “property damage” arising out of the removal, manufacture, distribution, sale, installation, handling or disposal of asbestos or any product containing asbestos material.

POLICY NUMBER: B010120

COMMERCIAL AUTO
WB 1450 CA 01 18**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED – NOT OTHERWISE CLASSIFIED**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM**SCHEDULE**

Name of Person or Organization (Additional Insured):
City of Chicago Department of Transpiration - Driveway Permits 121 N LaSalle St Room 905 Chicago, IL 60602
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Who Is An Insured is amended to include as an insured the person or organization shown in the Schedule as an additional insured, but only with respect to liability incurred solely as a result of some act or omission of the named insured.

It is further understood and agreed that the designation of the entity named as an additional insured does not increase or alter the limit of liability, nor the scope of coverage of this policy.

The coverage granted to the additional insured under this endorsement shall be excess over any other valid and collectible insurance, whether contingent, excess or primary.

This endorsement provides no coverage to the additional insured for its liability arising out of the claimed negligence, statutory liability or fault of the additional insured.

As a condition of coverage, the additional insured shall be obligated to tender the defense and indemnity of every claim or suit to all other insurers that may provide coverage to the additional insured, whether on a contingent, excess or primary basis.

POLICY NUMBER: B010120

COMMERCIAL AUTO
WB 516 CA 04 20**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EMPLOYMENT PRACTICES LIABILITY ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTO COVERAGE PART

THIS ENDORSEMENT PROVIDES CLAIMS MADE AND REPORTED COVERAGE. DEFENSE COSTS APPLY AGAINST THE LIMITS OF INSURANCE AND ARE SUBJECT TO THE DEDUCTIBLE.**PLEASE READ THE ENTIRE FORM CAREFULLY.****SCHEDULE**

LIMITS OF LIABILITY		DEDUCTIBLE	COINSURANCE FOR PAYMENT OF "DAMAGES"
Each Related Wrongful Employment Practice	Total Aggregate Limit	Each Related Wrongful Employment Practice	Does Not Apply
100,000	100,000	5,000	
RETROACTIVE DATE			
This insurance does not apply to a "Wrongful Employment Practice" that happens before the Retroactive Date shown here:			12/01/2017
Information required to complete this schedule, if not shown above, will be shown in the Declarations.			

THERE IS A SEPARATE DEDUCTIBLE PROVISION APPLICABLE TO ALL PAYMENTS FOR "DAMAGES".

PLEASE READ THIS ENDORSEMENT CAREFULLY TO DETERMINE RIGHTS, DUTIES, COVERAGE AND COVERAGE RESTRICTIONS.

WE HAVE NO DUTY TO PROVIDE COVERAGE UNLESS THERE HAS BEEN FULL COMPLIANCE WITH ALL THE CONDITIONS (SECTION VI) OF THIS ENDORSEMENT.

Throughout this endorsement the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this endorsement. The words "we", "us" and "our" refer to the Company providing this insurance. The word "insured" means any person or organization qualifying as such under WHO IS AN INSURED (Section II) of this endorsement.

All words and phrases that appear in quotation marks have special meaning. Refer to DEFINITIONS (Section VIII).

SECTION I - COVERAGE: EMPLOYMENT PRACTICES LIABILITY

In consideration of the payment of premium and in reliance upon representations you made to us in applying for this insurance and subject to the Limits of Insurance shown in the Schedule, and all the exclusions, terms and conditions of this endorsement, we agree with you as follows:

A. INSURING AGREEMENT

1. We will pay on behalf of the insured for "damages" in excess of the Deductible arising out of any "employment practices" to which this insurance applies.
We have no obligation under this insurance to make payments or perform acts or services except as provided for in this paragraph and in Item 2. below.
2. This insurance applies to such "damages" only if:
 - a. The "damages" result from "claims" made by "employees", "leased workers", "temporary workers", former "employees" or applicants for employment with you;

- b. The "employment practices" take place in the "coverage territory";
- c. Such "employment practices" occurred after the Retroactive Date shown in the Schedule and before the end of the policy period; and
- d. A "claim" is both:
 - (i) First made against any insured, in accordance with paragraph 3. below, during the policy period or any Extended Reporting Period we provide under Section VII - EXTENDED REPORTING PERIODS; and
 - (ii) Reported to us either (i) during the policy period or within thirty (30) days thereafter, or (ii) with respect to any "claim" first made during any Extended Reporting Period we provide under Section VII - EXTENDED REPORTING PERIODS, during such Extended Reporting Period.

3. A "claim" will be deemed to have been made at the earlier of the following times:

- a. When notice of such "claim" is received and recorded by you or by us, whichever comes first; or
- b. When we make settlement in accordance with paragraph B.1. below.

4. All "claims" for "damages" based on or arising out of:

- a. One "employment practice"; or
- b. An interrelated series of "employment practices"

by one or more insureds shall be deemed to be one "claim" and to have been made at the time the first of those "claims" is made against any insured(s).

Each payment we make for "damages" or "defense expense" reduces the Amount of Insurance available, as provided under SECTION III - LIMITS OF INSURANCE of this endorsement.

B. DEFENSE OF CLAIMS. ADMINISTRATIVE HEARINGS & SETTLEMENT AUTHORITY

1. We have the right and duty to defend "claims" against the insured seeking "damages" to which this insurance applies and to pay for related "defense expense". However, we have no duty to (i) defend "claims" against the insured seeking "damages" or (ii) pay for related "defense expense" when this insurance does not apply. We may:

- a. At our sole discretion, investigate any "employment practice" that may result in "damages"; and

b. Settle any "claim" which may result, provided:

- (i) We have your written consent to settle; and
- (ii) The settlement is within the applicable Limit of Insurance available.

Our liability will be limited as described below if:

- (i) you refuse to consent to any settlement we recommend, and
- (ii) such recommended settlement is also acceptable to the claimant.

When this happens, our liability under this endorsement for such "claim" shall not exceed the amount we would have paid for "damages" and "defense expense" if you had consented at the time of our recommendation. You shall thereafter negotiate and defend that "claim" at your own cost and without our involvement.

2. Our right and duty to defend such "claims" end when we have used up the Limit of Insurance available, as provided under SECTION III - LIMITS OF INSURANCE of this endorsement. This applies both to "claims" pending at that time and those filed thereafter.

3. When we control defense of a "claim", we will pay associated "defense expense" and choose a counsel of our choice from the panel of attorneys we have selected to deal with "employment practices" "claims". If you give us a specific written request at the time a "claim" is first made:

- a. You may select one of our panel of employment law attorneys; or
- b. You may ask us to consider the approval of a defense attorney of your choice that is not on our panel.

4. We will use the panel attorney you selected in (a.) above, or consider your request in (b.) above, when we deem it appropriate to engage counsel for such "claim".

5. If by mutual agreement or court order the insured assumes control of such defense before the applicable Limit of Insurance is used up, we will reimburse the insured for reasonable "defense expense", subject to item 6. immediately below.

6. If we defend you under a reservation of rights, both your and our counsel(s) will be required to maintain records pertinent to your "defense expenses". These records will be used to determine the allocation of any "defense expenses" for which you may be solely responsible, including defense of an allegation not covered by this insurance.

In any case, however, we only pay amounts in excess of the Deductible and such payments will reduce the Limit of Insurance available, as provided under SECTION III - LIMITS OF INSURANCE in this endorsement.

7. Upon prior notice to us and our approval, the first Named Insured is authorized to act on behalf of all insureds with respect to the payment of "damages" in settlement of any Administrative Hearing or other non-judicial proceeding before the Federal Equal Employment Opportunity Commission, or any similar Federal, state or local body or commission. This authorization is limited to (i) "damages" covered by this endorsement, (ii) "defense expenses" under part 4. of the Definition of "defense expenses" and (iii) amounts not in excess of two times the amount of the Deductible stated in the Schedule.

C. EXCLUSIONS

This insurance does not apply to "claims" arising directly or indirectly from any:

1. a. "Employment practices" which were the subject of any demand, suit or other proceeding which was initiated against any insured; or
 - b. Facts and circumstances, which would cause a reasonable person to believe a "claim" would be made and which were known to any insured,

prior to the effective date of the earlier of (i) the first endorsement of this type that we issued to you of which this endorsement was an uninterrupted renewal of this type of coverage, or (ii) this endorsement.
2. Breach of any express contract of employment or any express obligation to make payments in the event of termination of employment.
3. Obligation to pay "damages" by reason of the assumption of liability in any contract or agreement. This exclusion does not apply to liability for "damages" that the insured would have in the absence of the contract or agreement.

4. Of the following laws:

- a. Any workers compensation, disability benefits or unemployment compensation law, or any similar law, provided however, this exclusion shall not apply to any "claim" based upon, arising from, or in consequence of any actual or alleged retaliatory treatment of the claimant by the Insured on account of the claimant's exercise of rights pursuant to any such law;
- b. Employees' Retirement Income Security Act of 1974, Public Law 93-406, (E.R.I.S.A.) as now or hereafter amended, or any similar state or other governmental law. This includes fiduciary liability, liability arising out of the administration of any employee benefit plan and any other liability under any such laws;
- c. The Fair Labor Standards Act, the National Labor Relations Act of 1938, the Worker Adjustment and Retraining Notification Act (Public Law 100-37991988), the Consolidated Omnibus Budget Reconciliation Act of 1985, or the Occupational Safety and Health Act. This exclusion also applies to any rules or regulations promulgated under any of the foregoing and amendments thereto or any similar provisions of any federal, state or local law, and to that part of any "damages" awarded for the cost or replacement of any insurance benefits due or alleged to be due to any current or former "employee".

5. Oral or written publication of material, if such material:

- a. Was published by or at the direction of the insured with knowledge of the material's falsity; or
- b. Was first published before the Retroactive Date shown in the Schedule.

6. Dishonest, criminal or fraudulent acts of the insured or the willful failure by the insured or with the insured's consent to comply with any law or any governmental or administrative order or regulation relating to employment practices. Willful means acting with intentional or reckless disregard for such employment related laws, orders or regulations.

The enforcement of this exclusion against any insured under this endorsement shall not be imputed to any other insured.

7. "Bodily injury".

8. "Employment practices" which occur when or after:
 - a. You file for or are placed in any bankruptcy, receivership, liquidation or reorganization proceeding; or
 - b. Any other business entity acquires an ownership interest in you, which is greater than fifty percent.
9. Costs of complying with physical modifications to your premises or any changes to your usual business operations as mandated by the Americans with Disabilities Act of 1990 including any amendment thereto, or any similar federal, state or local law.
10. Lockout, strike, picket line, related worker replacement(s) or other similar actions resulting from labor disputes or labor negotiations.

SECTION II - WHO IS AN INSURED

- A. If you are designated in the Declarations as:
 1. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 2. A partnership or joint venture, you are an insured. Your current or former members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 3. A limited liability company, you are an insured. Your current or former members are also insureds, but only with respect to the conduct of your business. Your current or former managers are insureds, but only with respect to their duties as your managers.
 4. An organization other than a partnership or joint venture, you are an insured. Your current or former directors are insureds, but only with respect to their duties as your directors.
- B. Each of the following is also an insured:
 1. Your current or former "employees" but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.
 2. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this endorsement.
- C. Any heirs, executors, administrators, assignees or legal representatives of any individual insured above, in the event of the death, bankruptcy or incapacity of such insured, but only to the extent this insurance would have been available to such insured.

- D. Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 1. You must provide us notice of such acquisition or formation within 30 days of the effective date of your acquisition or formation;
 2. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 3. Coverage does not apply to any "employment practices" that occurred before you acquired or formed the organization; and
 4. You must pay us any additional premium due as a condition precedent to the enforceability of this additional extension of coverage.

This part D. does not apply to any organization after it is shown in the Declarations or added to this policy by endorsement.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III - LIMITS OF INSURANCE

- A. The Amount of Insurance stated as Total Aggregate Limit is the most we will pay for the sum of:
 1. All "damages" for all "claims" arising out of any actual or alleged "employment practices" covered by this insurance; and
 2. All "defense expense" for all "claims" seeking "damages" payable under paragraph 1. above.

Each payment we make for such "damages" or "defense expenses" reduces the Total Aggregate Limit by the amount of the payment. This reduced limit will then be the Amount of Insurance available for further "damages" and "defense expenses" under this endorsement.
- B. Subject to A. above, the Amount of Insurance stated as the Each "Claim" Limit of Insurance is the most we will pay in excess of the Deductible as further described in SECTION IV - DEDUCTIBLE of this endorsement for the sum of:
 1. All "damages" for injury arising from "employment practices" covered by this insurance arising out of one "claim" whether such "claim" is brought by one or more claimants: and

2. All "defense expense" associated with that specific "claim" in item B.1. immediately preceding.
- C. In addition to the payments for "damages" and "defense expense" in paragraphs A. and B. above, we will also pay all interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the amount available for the judgment under the provisions of paragraphs A. and B. above. These interest payments will not reduce the Limits of Insurance.

The Limits of Insurance of this endorsement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - DEDUCTIBLE

- A. A deductible applies to all "damages" for injury arising from "employment practices" and any "defense expense" however caused.
- B. Our obligation under this Employment Practices Liability to pay "damages" and "defense expense" on behalf of any insured applies only to the sum of the amount of "damages" and "defense expense" each "claim" which are in excess of the deductible amount stated in the Schedule.
- C. Your obligation is to pay that deductible which is applicable to each "claim" made against this insurance. That deductible applies to the sum of all "damages" because of injury arising from "employment practices" paid for each "claim" and applicable "defense expense" associated therewith. If there should be no "damages" paid for a "claim", you are still obligated to pay the applicable deductible for any "defense expense" incurred by us in connection with that "claim".
- D. The terms of this insurance apply irrespective of the application of the deductible, including those with respect to:
1. Our right and duty to defend any "claims" seeking those "damages"; and
 2. Your duties in the event of a "claim".
- E. We may, but are not required to, pay any part or all of the deductible to effect settlement of any "claim" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible as we may have paid for "damages" or "defense expense".

- F. The application of the deductible does not erode the Limits of Insurance provided.

SECTION V – COINSURANCE FOR PAYMENT OF "DAMAGES"

- A. With respect to any "claim" for which we pay "damages" under this insurance, you will be responsible for your share of such "damages", in excess of the applicable deductible, at the percentage shown in the Schedule as coinsurance participation. We will be responsible for the remaining percentage of "damages" payable under this endorsement subject to the applicable Limits of Insurance.
- B. Your coinsurance participation is limited as shown in the Schedule to a maximum amount per "claim".
- C. Subject to the provisions of this section we may make payments for "damages" and then request you to pay us your percentage share. You agree to reimburse us for your share. By making such payments for "damages", we do not waive our right to recover your share of such payment(s).
- D. The application of this coinsurance provision does not erode the Limits of Insurance provided.

SECTION VI - CONDITIONS

A. Bankruptcy

Subject to the exclusion in Section I, item C.8., the bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this endorsement.

B. Changes

This policy contains all agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Duties in Event of "Employment Practices" or "Claims"

1. You must see to it that we are notified as soon as practicable of any specific "employment practices" which you believe may result in an actual "claim". Your belief must be reasonably certain as the result of specific allegations made by a potential claimant or such potential claimant's representative, or as the result of specifically identifiable injury sustained by a potential claimant. To the extent possible, notice should include:
 - a. How, when and where such "employment practices" took place;
 - b. The names and addresses of any potential claimants and witnesses; and

- c. The nature of any injury arising out of such "employment practices".

Notice of such "employment practices" is not notice of a "claim", but preserves any insured's rights to future coverage for subsequent "claims" arising out of such "employment practices" as described in the Basic Extended Reporting Period of Section VII - EXTENDED REPORTING PERIODS.

2. If a "claim" is received by any insured:
 - a. You must immediately record the specifics of the "claim" and the date received;
 - b. You and any other involved insured must see to it that we receive written notice of the "claim", as soon as practicable, but in any event we must receive notice either:
 - (i) During the policy period or within 30 days thereafter; or
 - (ii) With respect to any "claim" first made during any Extended Reporting Period we provide under Section VII - EXTENDED REPORTING PERIODS, during such Extended Reporting Period, as a condition precedent for coverage under this insurance. Such notice must provide us with the same information as is required in item (a.) immediately preceding; and
 - c. You and any other involved insured must:
 - (i) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim";
 - (ii) Authorize us to obtain records and other information;
 - (iii) Cooperate with us in the investigation, settlement or defense of the "claim"; and
 - (iv) Assist us, upon our request, in the enforcement of any right against any person or organization, which may be liable to the insured because of injury or damage to which this insurance may also apply.
3. No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent, other than those specific payments authorized under Section I, item B.7. - DEFENSE OF CLAIMS, ADMINISTRATIVE HEARINGS & SETTLEMENT AUTHORITY, in this endorsement.

D Examination of Your Books and Records

We may examine and audit your books and records as they relate to this endorsement at any time during the endorsement period and up to three years afterward.

E. Inspections and Surveys

We have the right but are not obligated to:

1. Make inspections and surveys at any time;
2. Give you reports on the employment conditions we find; and
3. Recommend procedures, guidelines and changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not undertake to perform the duty of any person or organization to provide for the health or safety of, or lawful practices with your workers or the public. We do not warrant that conditions:

- a. Are safe or healthful; or
- b. Comply with laws, regulations, codes or standards as they relate to the purpose of this or any other insurance.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization, which makes insurance inspections, surveys, reports or recommendations on our behalf.

F. Legal Action Against Us

No person or organization has a right under this endorsement:

1. To join us as a party or otherwise bring us into a "claim" seeking "damages" from any insured; or
2. To sue us on this coverage part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; but we will not be liable for "damages" that are not payable under the terms of this endorsement or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

G. Other Insurance

If other valid and collectible insurance is available to the insured for "damages" or "defense expense" we cover under this endorsement, our obligations are limited as follows:

1. As this insurance is the primary insurance, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in 2. below.
2. If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

H. Payment of Premiums, Deductibles and Coinsurance Amounts

1. We will compute all premiums for this insurance in accordance with our rules and rates; and
2. The first Named Insured shown in the Declarations is responsible for the payment of all premiums, deductibles and coinsurance payments due and will be the payee for any return premiums we pay.

I. Representations

By accepting this policy, you agree:

1. The statements in the Declarations are accurate and complete;
2. Those statements are based upon representations you made to us in your application for this insurance; and
3. Since we have issued this policy in reliance upon your representations, this policy is voidable if any material fact or circumstance relating to the subject of this insurance is omitted or misrepresented in your application.

J. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this endorsement to the first Named Insured, this insurance applies:

1. As if each Named Insured were the only Named Insured; and
2. Separately to each insured against whom "claim" is made.

K. Sole Agent

The first Named Insured is authorized to act on behalf of all insureds as respects the giving or receiving of notice of cancellation or nonrenewal, receiving premium refunds, requesting any Supplemental Extended Reporting Period and agreeing to any changes in this policy.

L. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this endorsement, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will sue those responsible or transfer those rights to us and help us enforce them.

M. Transfer of Your Rights and Duties Under This Policy

Your rights and duties under this endorsement may not be transferred without our written consent.

SECTION VII - EXTENDED REPORTING PERIODS

A. We will provide Extended Reporting Periods, as described below, if:

1. This endorsement is cancelled or not renewed; or
2. We renew or replace this endorsement with insurance that:
 - a. Has a Retroactive Date later than the date shown in the Schedule of this endorsement; or
 - b. Does not apply on a claims-made basis.

B. Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. They apply only to "claims" as the result of "employment practices" which occurred after the Retroactive Date shown in the Schedule and before the end of the policy period. Once in effect, Extended Reporting Periods may not be cancelled.

C. Extended Reporting Periods do not reinstate or increase the Limits of Insurance.

D. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for:

1. Five years with respect to "claims" arising out of "employment practices" which had been properly reported to us during the policy period in accordance with paragraph C.1. of Duties in the Event of "Employment Practices" or "Claims", in CONDITIONS (Section VI) of this endorsement; and

2. Thirty (30) days with respect to "claims" arising from "employment practices" not previously reported to us.

The Basic Extended Reporting Period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such claims.

- E. A Supplemental Extended Reporting Period of either twelve (12) months or thirty-six (36) months duration is available, but only by an endorsement and for an extra charge. This supplemental period starts when the Basic Extended Reporting Period, set forth in paragraph D.2. above, ends. You must give us a written request for the endorsement, and its length, within 30 days after the end of the policy period. The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium when due. We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

1. The exposures insured;
2. Previous types and amounts of insurance;
3. Limits of Insurance available under this endorsement for future payment of "damages" or "defense expense"; and
4. Other related factors.

The additional premium will not exceed 200% of the annual premium for this endorsement.

- F. The Supplemental Extended Reporting Period Endorsement we issue shall set forth the terms, not inconsistent with this Section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period begins.

SECTION VIII - DEFINITIONS

- A. **"Bodily injury"** means physical injury to the body, sickness or disease sustained by a person as the result of direct physical injury to the body, including death resulting from any of these at any time. "Bodily injury" does not include mental anguish or emotional distress that results from an "employment practice".
- B. **"Claim"** means written or oral notice presented by:
1. Any "employee", "leased worker", "temporary worker", former "employee" or applicant for employment by you; or

2. The EEOC or any other Federal, state or local administrative or regulatory agency on behalf of such person in item 1. immediately preceding, that the insured is responsible for "damages" as a result of injury arising out of any "employment practices".

"Claim" includes any civil proceeding in which either "damages" are alleged or fact finding will take place, when either is the actual or alleged result of any "employment practice" to which this insurance applies. This includes:

- a. An arbitration proceeding in which such "damages" are claimed and to which the insured submits with our consent;
- b. Any other alternative dispute resolution proceeding in which such "damages" are claimed and to which the insured submits with our consent; or
- c. Any administrative proceedings established under applicable federal, state or local laws as may be applicable to "employment practices" covered under this insurance.

C. **"Coverage territory"** means:

1. The United States of America (including its territories and possessions) and Puerto Rico; or
2. Anywhere in the world with respect to the activities of a person whose place of employment is in the territory described in 1. above, while he or she is away for a short time on your business;

provided that the insured's responsibility to pay "damages" is determined in a suit (or in any other type of civil proceeding as described under the definition of "claim") on the merits in, and under the substantive law of, the United States of America (including its territories and possessions) or Puerto Rico.

- D. **"Damages"** means monetary amounts to which this insurance applies and which the insured is legally obligated to pay as judgments or awards, or as settlements to which we have agreed in writing. "Damages" include (i) "pre-judgment interest" awarded against the insured on that part of the judgment we pay, (ii) to the extent allowed by law, any portion of a judgment or award that represents a multiple of the compensatory amounts or punitive or exemplary damages, and (iii) statutory attorney fees.

"Damages" do not include:

1. Civil, criminal, administrative or other fines or penalties;

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2. Equitable relief, injunctive relief, declarative relief or any other relief or recovery other than monetary amounts; or
 3. Judgments or awards because of acts deemed uninsurable by law.
- E. "Defense expense"** means payments allocated to a specific "claim" for its investigation, settlement, or defense, including:
1. Attorney fees and all other litigation expenses.
 2. The cost of bonds to appeal a judgment or award in any "claim" we defend. We do not have to furnish these bonds.
 3. The cost of bonds to release attachments, but only for bond amounts within the Amount of Insurance available. We do not have to furnish these bonds.
 4. Reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of any "claim", including actual loss of earnings up to \$250 a day because of time off from work.
 5. Costs taxed against the insured in the "claim".
- "Defense expense" does not include:
- a. Salaries and expenses of our employees or your "employees", other than:
 - (i) That portion of our employed attorneys' fees, salaries and expenses allocated to a specific claim" for the defense of the insured; and
 - (ii) The expenses described in 4. above;
 - b. Interest on the full amount of any judgment that accrues after entry of the judgement and before we have paid, offered to pay, or deposited in court the amount available for the judgement under the provisions of SECTION III – LIMITS OF INSURANCE.
- F. "Employee"** means a person (i) employed by you for wages or salary, or (ii) who is a current or former member of your board of directors. But "employee" does not include any independent contractor, any employees of any independent contractor while acting within the scope of their employment, any "leased worker" or any "temporary worker".

- G. "Employment Practices"** means any of the following actual or alleged practices (i) which are directed against any of your "employees", "leased workers", "temporary workers", former "employees" or any applicant for employment by you, and (ii) for which remedy is sought under any federal, state or local statutory or common civil employment law:
1. Wrongful refusal to employ a qualified applicant for employment;
 2. Wrongful failure to promote, or wrongful deprivation of career opportunity;
 3. Wrongful demotion, negligent evaluation, negligent reassignment or wrongful discipline;
 4. Wrongful termination of employment, including retaliatory or constructive discharge;
 5. Employment related misrepresentation;
 6. Harassment, coercion, discrimination or humiliation as a consequence of race, color, creed, national origin, marital status, medical condition, gender, age, physical appearance, physical and/or mental impairments, pregnancy, sexual orientation or sexual preference or any other protected class or characteristic established by any applicable federal, state, or local statute; or
 7. Oral or written publication of material that slanders, defames, libels, violates, or invades a right of privacy.
- H. "Leased worker"** means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- I. "Pre-judgment interest"** means interest added to a settlement, verdict, award or judgment based on the amount of time prior to the settlement, verdict, award or judgment, whether or not made part of the settlement, verdict, award or judgment.
- J. "Temporary worker"** means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

COMMERCIAL AUTO
CA 20 55 Z 10 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FELLOW EMPLOYEE COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

The **Fellow Employee** Exclusion contained under the **Covered Autos Liability Coverage** does not apply to claims for "bodily injury" resulting from the use of a covered "auto" where the fellow "employee" is not immune from "suit" or civil liability for "bodily injury" by reason of Workers Compensation laws or other similar laws.

Coverage is excess over any other collectible insurance.

POLICY NUMBER: B010120

COMMERCIAL AUTO
CA 25 03 10 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****FALSE PRETENSE COVERAGE**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: Siglers Automotive and Body Shop, Inc**Endorsement Effective Date:** 03-10-2023**SCHEDULE**

Limit Of Insurance – \$25,000 unless another limit is shown below or in the Declarations		
\$ 25,000	Limit Of Insurance	
Named Location Number From Item Three Of The Declarations	Total Inventory Value For Each Named Location	Premium
2	\$ 150,000	\$ 26
1	\$ 150,000	\$ 26
	\$	\$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

Paragraph **F. Physical Damage Coverage** of **Section I – Covered Autos Coverages** is changed as follows:**A.** The following is added:

1. Any "auto" you have acquired is a covered "auto" under False Pretense Coverage.
2. We will pay for "loss" to a covered "auto" under False Pretense Coverage caused by:
 - a. Someone causing you to voluntarily part with the covered "auto" by trick or scheme or under false pretenses.
 - b. Your acquiring an "auto" from a seller who did not have legal title.

B. Paragraph **3. Exclusions** is changed as follows:

1. The **False Pretense** Exclusion does not apply.
2. The following exclusions are added:
 - a. The insurance under Paragraph **A.2.a.** of this endorsement does not apply unless:
 - (1) You had legal title to, or consignment papers for, the covered "auto" prior to "loss"; and
 - (2) You make every effort to recover the covered "auto" when it is located.
 - b. False Pretense Coverage does not apply to a loss which, for any reason, a bank or any other drawee fails to pay.

- C. Paragraph **4. Limits Of Insurance** is changed by adding the following:

Under False Pretense Coverage, the Limit Of Insurance shown in the Schedule is the most we will pay for all "loss" caused by any one person within any one year of the policy period.

- D. Paragraph **5. Deductible** is changed by adding the following:

From our obligation under False Pretense Coverage, we will deduct the actual value of any property delivered to you in full or partial payment for title to or possession of a covered "auto".

- E. The following is added to the **Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions** Condition:

You, or someone on your behalf, must take all reasonable steps to cause a warrant to be issued, as soon as practicable, for the arrest of anyone causing a "loss" defined within the False Pretense Coverage. Failure to cause such warrant to be issued as required by this condition shall not invalidate any claim made by you, if it is shown that reasonable efforts were made.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – YEAR 2000 COMPUTER-RELATED AND OTHER ELECTRONIC PROBLEMS – WITH EXCEPTION FOR BODILY INJURY ON YOUR PREMISES

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

Section II – General Liability Coverages is changed as follows:

A. The following exclusion is added to Paragraph 2. Exclusions of Paragraph A. Bodily Injury And Property Damage Liability:

This insurance does not apply to "bodily injury" or "property damage" arising directly or indirectly out of:

1. Any actual or alleged failure, malfunction or inadequacy of:
 - a. Any of the following, whether belonging to any "insured" or to others:
 - (1) Computer hardware, including microprocessors;
 - (2) Computer application software;
 - (3) Computer operating systems and related software;
 - (4) Computer networks;
 - (5) Microprocessors (computer chips) not part of any computer system; or
 - (6) Any other computerized or electronic equipment or components; or
 - b. Any other products and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph A.1.a. of this endorsement;
- due to the inability to correctly recognize, process, distinguish, interpret or accept the year 2000 and beyond.

2. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for any potential or actual problems described in Paragraph A.1. of this endorsement.

This exclusion does not apply to "bodily injury" occurring on any premises owned by or rented to you.

B. The following exclusion is added to Paragraph 2. Exclusions of Paragraph B. Personal And Advertising Injury Liability:

This insurance does not apply to "personal and advertising injury" arising directly or indirectly out of:

1. Any actual or alleged failure, malfunction or inadequacy of:
 - a. Any of the following, whether belonging to any "insured" or to others:
 - (1) Computer hardware, including microprocessors;
 - (2) Computer application software;
 - (3) Computer operating systems and related software;
 - (4) Computer networks;
 - (5) Microprocessors (computer chips) not part of any computer system; or
 - (6) Any other computerized or electronic equipment or components; or

- b.** Any other products and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **B.1.a.** of this endorsement;

due to the inability to correctly recognize, process, distinguish, interpret or accept the year 2000 and beyond.

- 2.** Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for any potential or actual problems described in Paragraph **B.1.** of this endorsement.

This exclusion does not apply to "bodily injury" occurring on any premises owned by or rented to you.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO MEDICAL PAYMENTS COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred, for services rendered within three years from the date of the "accident".

B. Who Is An Insured

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

C. Exclusions

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.

3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member".
4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily Injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

D. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit Of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

E. Changes In Conditions

The **Conditions** are changed for **Auto Medical Payments Coverage** as follows:

1. The **Transfer Of Rights Of Recovery Against Others To Us** Condition does not apply.
2. The reference in **Other Insurance** in the Auto Dealers and Business Auto Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form to "other collectible insurance" applies only to other collectible auto medical payments insurance.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.

POLICY NUMBER: B010120

COMMERCIAL AUTO
CA 99 90 10 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****OPTIONAL LIMITS – LOSS OF USE EXPENSES**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
 BUSINESS AUTO COVERAGE FORM
 MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: Siglers Automotive and Body Shop, Inc

Endorsement Effective Date: 03-10-2023

SCHEDULE

Amount Per Day	Maximum	Premium
\$ 50	\$ 1,500	\$ 50
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

Physical Damage Coverage is amended as follows:

The **Coverage Extension** for **Loss Of Use Expenses** in Paragraph **A.4.b.** in the Business Auto and Motor Carrier Coverage Forms and Paragraph **F.2.** in the Auto Dealers Coverage Form are replaced by the following:

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or agreement. We will pay for loss of use expenses caused by:

- (1) Other than collision only if the Declarations indicates that Comprehensive Coverage is provided for any covered "auto";

- (2) Specified Causes Of Loss only if the Declarations indicates that Specified Causes Of Loss Coverage is provided for any covered "auto"; or

- (3) Collision only if the Declarations indicates that Collision Coverage is provided for any covered "auto".

However, the most we will pay under this coverage is the amount shown in the Schedule.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOSS TO CUSTOMER'S PERSONAL PROPERTY

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

Paragraph **E.1. Garagekeepers Coverage** of **Section I – Covered Autos Coverages** is amended by the addition of the following:

We will pay up to \$1,000 for "loss" to personal property left in or with a "customer's auto".

This coverage is subject to a \$250 per "loss" deductible. Payment under this coverage will not reduce the Limit of Insurance.

AUTO DEALERS COVERAGE FORM

Various provisions in this Policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this Policy, the words "you" and "your" refer to the Named Insured shown in the Declarations and include your spouse, if you are an individual. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **V** – Definitions.

SECTION I – COVERED AUTOS COVERAGES

A. Description Of Covered Auto Designation Symbols

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

Symbol	Description Of Covered Auto Designation Symbols	
21	Any "Auto"	
22	Owned "Autos" Only	Only those "autos" you own (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the Policy begins.
23	Owned Private Passenger "Autos" Only	Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the Policy begins.
24	Owned "Autos" Other Than Private Passenger "Autos" Only	Only those "autos" you own that are not of the private passenger type (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the Policy begins.
25	Owned "Autos" Subject To No-fault	Only those "autos" you own that are required to have no-fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the Policy begins provided they are required to have no-fault benefits in the state where they are licensed or principally garaged.
26	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law	Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the Policy begins provided they are subject to the same state uninsured motorists requirement.
27	Specifically Described "Autos"	Only those "autos" described in Item Seven of the Declarations for which a premium charge is shown (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to a power unit described in Item Seven).
28	Hired "Autos" Only	Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent, or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

29	Non-owned "Autos" Used In Your "Auto" Dealership	Any "auto" you do not own, lease, hire, rent or borrow used in connection with your "auto" dealership described in the Declarations. This includes "autos" owned by your "employees" or partners (if you are a partnership), members (if you are a limited liability company) or members of their households while used in your "auto" dealership.
30	"Autos" Left With You For Service, Repair, Storage Or Safekeeping	Any land motor vehicle, trailer or semitrailer lawfully within your possession for service, repair, storage or safekeeping, with or without the vehicle owner's knowledge or consent. This also includes "autos" left in your care by your "employees" and members of their households who pay for the services performed.
31	"Auto" Dealers' "Autos" (Physical Damage Coverages)	Any "autos" and the interests in these "autos" described in Item Six of the Declarations.

B. Owned Autos

1. If Symbols **21**, **22**, **23**, **24**, **25** or **26** are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire after the policy period begins of the type described for the remainder of the policy period.
2. But, if Symbol **27** is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire after the policy period begins will be a covered "auto" for that coverage only if:
 - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
 - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.
3. An "auto" that is leased or rented to you without a driver, under a written agreement for a continuous period of at least six months that requires you to provide primary insurance covering such "auto", will be considered a covered "auto" you own.

C. Certain Trailers And Temporary Substitute Autos

If Covered Autos Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Covered Autos Liability Coverage:

1. "Trailers" with a registered Gross Vehicle Weight Rating of 3,000 pounds or less designed primarily for travel on public roads.

2. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. "Loss"; or
 - e. Destruction.

D. Covered Autos Liability Coverage

1. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Covered "Autos" Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

2. Who Is An Insured

The following are "insureds" for covered "autos":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
 - (1) The owner or anyone else from whom you hire or borrow a covered "auto".
This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.
 - (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
 - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing or repairing "autos" unless that business is yours.
 - (4) Your customers. However, if a customer of yours:
 - (a) Has no other available insurance (whether primary, excess or contingent), they are an "insured" but only up to the compulsory or financial responsibility law limits where the covered "auto" is principally garaged.
 - (b) Has other available insurance (whether primary, excess or contingent) less than the compulsory or financial responsibility law limits where the covered "auto" is principally garaged, they are an "insured" only for the amount by which the compulsory or financial responsibility law limits exceed the limit of their other insurance.

- (5) A partner (if you are a partnership), or a member (if you are a limited liability company), for a covered "auto" owned by him or her or a member of his or her household.

- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.
- d. Your "employee" while using a covered "auto" you do not own, hire or borrow in your business or your personal affairs.

3. Coverage Extensions

a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for the cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-of-state Coverage Extensions

While a covered "auto" is away from the state where it is licensed, we will:

- (1) Increase the Limit of Insurance for Covered Autos Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

4. Exclusions

This insurance does not apply to any of the following:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

b. Contractual

Liability assumed under any contract or agreement. But this exclusion does not apply to liability for damages:

- (1) Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- (2) That the "insured" would have in the absence of the contract or agreement.

c. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

d. Employee Indemnification And Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the "insured" arising out of and in the course of:
 - (a) Employment by the "insured"; or

- (b) Performing the duties related to the conduct of the "insured's" business; or

- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

- (a) Whether the "insured" may be liable as an employer or in any other capacity; and
- (b) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of Covered Autos Liability Coverage, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

e. Fellow Employee

"Bodily injury" to:

- (1) Any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
- (2) The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph (1) above.

f. Care, Custody Or Control

"Property damage" to or "covered pollution cost or expense" involving:

- (1) Property owned, rented or occupied by the "insured";
- (2) Property loaned to the "insured";
- (3) Property held for sale or being transported by the "insured"; or
- (4) Property in the "insured's" care, custody or control.

But this exclusion does not apply to liability assumed under a sidetrack agreement.

g. Leased Autos

Any covered "auto" while leased or rented to others. But this exclusion does not apply to a covered "auto" you rent to one of your customers while their "auto" is left with you for service or repair.

h. Pollution

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- (1) That are, or that are contained in any property that is:
 - (a) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto";
 - (b) Otherwise in the course of transit by or on behalf of the "insured"; or
 - (c) Being stored, disposed of, treated or processed in or upon the covered "auto";
- (2) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- (3) After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph (1) above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if the "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants".

Paragraphs (2) and (3) above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

i. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

j. Handling Of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- (1) Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- (2) After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

k. Movement Of Property By Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

l. Defective Products

"Property damage" to any of your "products" if caused by a defect existing in your "products" or any part of your "products" at the time it was transferred to another.

m. Work You Performed

"Property damage" to "work you performed" if the "property damage" results from any part of the work itself or from the parts, materials or equipment used in connection with the work.

n. Damage To Impaired Property Or Property Not Physically Damaged

"Property damage" to "impaired property" or other property not physically damaged if caused by:

- (1) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

- (2) A defect, deficiency, inadequacy or dangerous condition in your "products" or "work you performed". But this exclusion, n.(2), does not apply if the loss of use was caused by sudden and accidental damage to or destruction of your "products" or "work you performed" after they have been put to their intended use.

o. Products Recall

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of your "products" or "work you performed" or other property of which they form a part, if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

p. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

q. Acts, Errors Or Omissions

"Bodily injury" or "property damage" arising out of "acts, errors or omissions".

r. Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance or use of "unmanned aircraft".

5. Limit Of Insurance – Covered Autos Liability

For "accidents" resulting from the ownership, maintenance or use of covered "autos", the following applies:

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" involving a covered "auto" is the Limit Of Insurance for Covered "Autos" Liability Coverage shown in the Declarations.

Damages and "covered pollution cost or expense" payable under the Limit of Insurance for Covered "Autos" Liability Coverage are not payable under any applicable Limits of Insurance under Section II – General Liability Coverages or Section III – Acts, Errors Or Omissions Liability Coverage.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Auto Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

E. Garagekeepers Coverage

1. Coverage

- a. We will pay all sums the "insured" legally must pay as damages for "loss" to a "customer's auto" or "customer's auto" equipment left in the "insured's" care while the "insured" is attending, servicing, repairing, parking or storing it in your "auto dealer operations" under:

(1) Comprehensive Coverage

From any cause except:

- (a) The "customer's auto's" collision with another object; or

(b) The "customer's auto's" overturn.

(2) Specified Causes Of Loss Coverage

Caused by:

- (a) Fire, lightning or explosion;
- (b) Theft; or
- (c) Mischief or vandalism.

(3) Collision Coverage

Caused by:

- (a) The "customer's auto's" collision with another object; or
- (b) The "customer's auto's" overturn.

- b. We have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for any loss to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends for a coverage when the Limit of Insurance for that coverage has been exhausted by payment of judgments or settlements.

2. Who Is An Insured

The following are "insureds" for "loss" to "customer's autos" and "customer's auto" equipment:

- a. You.
- b. Your partners and their spouses, if you are a partnership, but only with respect to the conduct of your "auto dealer operations".
- c. Your members, if you are a limited liability company, but only with respect to the conduct of your "auto dealer operations". Your managers are also "insureds", but only with respect to their duties as your managers.
- d. Your "executive officers" and directors, if you are an organization other than a partnership or limited liability company, but only with respect to their duties as your officers or directors. Your stockholders are also "insureds", but only with respect to their liability as stockholders.
- e. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of employment by you or while performing duties related to the conduct of your "auto dealer operations".

3. Coverage Extensions

The following apply as **Supplementary Payments**. We will pay for the "insured":

- a. All expenses we incur.
- b. The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- c. All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- d. All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- e. All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

4. Exclusions

- a. This insurance does not apply to any of the following:

(1) Contractual

Liability resulting from any contract or agreement by which the "insured" accepts responsibility for "loss". But this exclusion does not apply to liability for "loss" that the "insured" would have in the absence of the contract or agreement.

(2) Theft

"Loss" due to theft or conversion caused in any way by you, your "employees" or by your stockholders.

(3) Defective Parts

Defective parts or materials.

(4) Faulty Work

Faulty "work you performed".

- b. We will not pay for "loss" to any of the following:
 - (1) Tape decks or other sound-reproducing equipment unless permanently installed in a "customer's auto".

- (2) Tapes, records or other sound-reproducing devices designed for use with sound-reproducing equipment.
 - (3) Sound-receiving equipment designed for use as a citizens' band radio, two-way mobile radio or telephone or scanning monitor receiver, including its antennas and other accessories, unless permanently installed in the dash or console opening normally used by the "customer's auto" manufacturer for the installation of a radio.
 - (4) Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.
- c. We will not pay for "loss" caused by or resulting from the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".
- (1) War, including undeclared or civil war;
 - (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

5. Limit Of Insurance And Deductibles

- a. Regardless of the number of "customer's autos", "insureds", premiums paid, claims made or "suits" brought, the most we will pay for each "loss" at each location is the Garagekeepers Coverage Limit Of Insurance shown in the Declarations for that location. Prior to the application of this limit, the damages for "loss" that would otherwise be payable will be reduced by the applicable deductibles for "loss" caused by:
- (1) Collision; or
 - (2) With respect to Garagekeepers Coverage Comprehensive or Specified Causes Of Loss Coverage:
 - (a) Theft or mischief or vandalism; or
 - (b) All perils.

- b. The maximum deductible stated in the Declarations for Garagekeepers Coverage Comprehensive or Specified Causes Of Loss Coverage is the most that will be deducted for all "loss" in any one event caused by:
- (1) Theft or mischief or vandalism; or
 - (2) All perils.
- c. To settle a claim or "suit", we may pay all or any part of the deductible. If this happens, you must reimburse us for the deductible or that part of the deductible that we paid.

F. Physical Damage Coverage

1. Coverage

- a. We will pay for "loss" to a covered "auto" or its equipment under:

(1) Comprehensive Coverage

From any cause except:

- (a) The covered "auto's" collision with another object; or
- (b) The covered "auto's" overturn.

(2) Specified Causes Of Loss Coverage

Caused by:

- (a) Fire, lightning or explosion;
- (b) Theft;
- (c) Windstorm, hail or earthquake;
- (d) Flood;
- (e) Mischief or vandalism; or
- (f) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

(3) Collision Coverage

Caused by:

- (a) The covered "auto's" collision with another object; or
- (b) The covered "auto's" overturn.

b. Glass Breakage – Hitting A Bird Or Animal – Falling Objects Or Missiles

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- (1) Glass breakage;

- (2) "Loss" caused by hitting a bird or animal; and
- (3) "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

2. Coverage Extension – Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- a. Other than collision only if the Declarations indicates that Comprehensive Coverage is provided for any covered "auto";
- b. Specified Causes of Loss only if the Declarations indicates that Specified Causes Of Loss Coverage is provided for any covered "auto"; or
- c. Collision only if the Declarations indicates that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$30 per day, to a maximum of \$900.

3. Exclusions

- a. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

(1) Nuclear Hazard

- (a) The explosion of any weapon employing atomic fission or fusion; or
- (b) Nuclear reaction or radiation, or radioactive contamination, however caused.

(2) War Or Military Action

- (a) War, including undeclared or civil war;
- (b) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (c) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

- b. We will not pay for "loss" to any of the following:

- (1) Any covered "auto" leased or rented to others unless rented to one of your customers while their "auto" is left with you for service or repair.
- (2) Any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such contest or activity.
- (3) Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- (4) Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.
- (5) Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.
- (6) Any accessories used with the electronic equipment described in Paragraph (5) above.

Exclusions **b.(5)** and **b.(6)** do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- (a) Permanently installed in or upon the covered "auto" ;
- (b) Removable from a housing unit which is permanently installed in or upon the covered "auto";
- (c) An integral part of the same unit housing any electrical equipment described in Paragraphs (a) and (b) above; or
- (d) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

c. False Pretense

We will not pay for "loss" to a covered "auto" caused by or resulting from:

- (1) Someone causing you to voluntarily part with it by trick or scheme or under false pretenses; or
- (2) Your acquiring an "auto" from a seller who did not have legal title.

d. We will not pay for:

- (1) Your expected profit, including loss of market value or resale value.
- (2) "Loss" to any covered "auto" displayed or stored at any location not shown in Item Three of the Declarations if the "loss" occurs more than 45 days after your use of the location begins.
- (3) Under the Collision Coverage, "loss" to any covered "auto" while being driven or transported from the point of purchase or distribution to its destination if such points are more than 50 road miles apart.
- (4) Under the Specified Causes Of Loss Coverage, "loss" to any covered "auto" caused by or resulting from the collision or upset of any vehicle transporting it.

e. We will not pay for "loss" to a covered "auto" due to "diminution in value".**f. Other Exclusions**

We will not pay for "loss" due and confined to:

- (1) Wear and tear, freezing, mechanical or electrical breakdown.
- (2) Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

4. Limits Of Insurance**a. The most we will pay for:**

- (1) "Loss" to any one covered "auto" is the lesser of:
 - (a) The actual cash value of the damaged or stolen property as of the time of "loss"; or
 - (b) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

- (2) All electronic equipment that reproduces, receives or transmits audio, visual or data signals in any one "loss" is \$1,000, if, at the time of "loss", such electronic equipment is:

- (a) Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
- (b) Removable from a permanently installed housing unit as described in Paragraph (2)(a) above; or
- (c) An integral part of such equipment as described in Paragraphs (2)(a) and (2)(b) above.

- b. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".

- c. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

d. The following provisions also apply:

- (1) Regardless of the number of covered "autos" involved in the "loss", the most we will pay for all "loss" at any one location is the amount shown in the Declarations for that location. Regardless of the number of covered "autos" involved in the "loss", the most we will pay for all "loss" in transit is the amount shown in the Declarations for "loss" in transit.

(2) Quarterly Or Monthly Reporting Premium Basis

If, on the date of your last report, the actual value of the covered "autos" at the "loss" location exceeds what you last reported, when a "loss" occurs we will pay only a percentage of what we would otherwise be obligated to pay. We will determine this percentage by dividing your total reported value for the involved location by the total actual value at the "loss" location on the date of your last report.

If the first report due is delinquent on the date of "loss", the most we will pay will not exceed 75 percent of the Limit Of Insurance shown in the Declarations for the applicable location.

(3) Nonreporting Premium Basis

If, when "loss" occurs, the total value of your covered "autos" exceeds the Limit Of Insurance shown in the Declarations, we will pay only a percentage of what we would otherwise be obligated to pay. We will determine this percentage by dividing the Limit of Insurance by the total actual value at the "loss" location at the time the "loss" occurred.

5. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations prior to the application of the Limit Of Insurance, provided that:

- a. The Comprehensive or Specified Causes Of Loss Coverage deductible applies only to "loss" caused by:
 - (1) Theft or mischief or vandalism; or
 - (2) All perils.
- b. Regardless of the number of covered "autos" damaged or stolen:
 - (1) The per "loss" deductible for Comprehensive or Specified Causes Of Loss Coverage shown in Item Six of the Declarations for "autos" held for sale is the maximum deductible applicable for all "loss" in any one event caused by:
 - (a) Theft or mischief or vandalism; or
 - (b) All perils.
 - (2) The maximum deductible applicable to "autos" not held for sale for all "loss" in any one event caused by:
 - (a) Theft or mischief or vandalism; or
 - (b) All perils,
 will be equal to five times the highest deductible applicable to any one covered "auto" on the Policy for Comprehensive or Specified Causes Of Loss Coverage. The application of the highest deductible used to calculate the maximum deductible will be made regardless of which covered "autos" were damaged or stolen in the "loss".

SECTION II – GENERAL LIABILITY COVERAGES**A. Bodily Injury And Property Damage Liability****1. Coverage**

- a. We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from your "auto dealer operations".

We have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. But:

- (1) The amount we will pay for damages is limited as described in Paragraph **F. Limits Of Insurance – General Liability Coverages**; and
- (2) Our duty to defend or settle ends when the applicable limit of insurance has been exhausted by payment of judgments or settlements under Paragraph **A. Bodily Injury And Property Damage Liability** or **B. Personal And Advertising Injury Liability** or medical expenses under Paragraph **C. Locations And Operations Medical Payments**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

- b. This insurance applies to "bodily injury" and "property damage" only if:
 - (1) The "accident" occurs in the coverage territory;
 - (2) The "bodily injury" or "property damage" occurs during the policy period; and

(3) Prior to the policy period, no "insured" listed under Paragraphs **D.1.** through **D.4.** of the Who Is An Insured provision and no "employee" authorized by you to give or receive notice of an "accident" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed "insured" or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any "insured" listed under Paragraphs **D.1.** through **D.4.** of the Who Is An Insured provision or any "employee" authorized by you to give or receive notice of an "accident" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any "insured" listed under Paragraphs **D.1.** through **D.4.** of the Who Is An Insured provision or any "employee" authorized by you to give or receive notice of an "accident" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

2. Exclusions

This insurance does not apply to any of the following:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured". This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual

Liability assumed under any contract or agreement. But this exclusion does not apply to liability for damages:

- (1) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- (2) That the "insured" would have in the absence of the contract or agreement.

c. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

d. Employee Indemnification And Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the "insured" arising out of and in the course of:
 - (a) Employment by the "insured"; or
 - (b) Performing the duties related to the conduct of the "insured's" business;
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above;
- (3) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (4) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraph (3)(a), (b) or (c) above are directed.

This exclusion applies:

- (a) Whether the injury-causing event described in Paragraph (3)(a), (b) or (c) above occurs before employment, during employment or after employment of that person;

- (b) Whether the "insured" may be liable as an employer or in any other capacity; and
- (c) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

Paragraphs (1) and (2) of this exclusion do not apply to liability assumed by the "insured" under an "insured contract".

e. Damage To Property

"Property damage" to:

- (1) Property you own, rent or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Property loaned to the "insured";
- (3) Property held for sale or being transported by the "insured"; or
- (4) Property in the "insured's" care, custody or control.

Paragraphs (1), (2) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Paragraph F. Limits Of Insurance – General Liability Coverages.

This exclusion does not apply to liability assumed under a sidetrack agreement.

f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location that is or was at any time owned or occupied by, or rented or loaned to, any "insured";
 - (b) At or from any premises, site or location that is or was at any time used by or for any "insured" or others for the handling, storage, disposal, processing or treatment of waste;

- (c) At or from any premises, site or location on which any "insured" or any contractors or subcontractors working directly or indirectly on any "insured's" behalf are performing operations:

- (i) To test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, the "pollutants"; or

- (ii) If the "pollutants" are brought on or to the premises, site or location in connection with such operations by such "insured", contractor or subcontractor; or

- (d) That are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any "insured" or any person or organization for whom you may be legally responsible.

Paragraphs (1)(a) and (1)(c)(ii) do not apply to "bodily injury" or "property damage" arising out of heat, smoke or fumes from a hostile fire. A hostile fire means one that becomes uncontrollable, or breaks out from where it was intended to be.

Paragraph (1)(a) does not apply to "bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests.

Paragraph (1)(c)(ii) does not apply to "bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from material brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor.

(2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the "insured" would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any "insured". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "accident" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any "insured".

This exclusion does not apply to:

- (1) A watercraft while ashore on premises where you conduct "auto dealer operations";
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge; or
- (3) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft.

h. Defective Products

"Property damage" to any of your "products" if caused by a defect existing in your "products" or any part of your "products" at the time it was transferred to another.

i. Work You Performed

"Property damage" to "work you performed" if the "property damage" results from any part of the work itself or from the parts, materials or equipment used in connection with the work.

j. Damage To Impaired Property Or Property Not Physically Damaged

"Property damage" to "impaired property" or other property not physically damaged if caused by:

- (1) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.
- (2) A defect, deficiency, inadequacy or dangerous condition in your "products" or "work you performed". But this exclusion, j.(2), does not apply if the loss of use was caused by sudden and accidental damage to or destruction of your "products" or "work you performed" after they have been put to their intended use.

k. Products Recall

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of your "products" or "work you performed" or other property of which they form a part, if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

l. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

m. Liquor Liability

"Bodily injury" or "property damage" for which any "insured" may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

n. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

o. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair And Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

p. Access Or Disclosure Of Confidential Or Personal Information

"Bodily injury" or "property damage" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information. This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

Exclusions **c.** through **m.** do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Paragraph **F. Limits Of Insurance – General Liability Coverages.**

B. Personal And Advertising Injury Liability

1. Coverage

We will pay all sums the "insured" legally must pay as damages because of "personal and advertising injury" to which this insurance applies, caused by an offense arising out of your "auto dealer operations", but only if the offense was committed in the coverage territory during the policy period.

We will have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. But:

- a. The amount we will pay for damages is limited as described in Paragraph **F. Limits Of Insurance – General Liability Coverages;** and

- b. Our duty to defend or settle ends when the applicable limit of insurance has been exhausted by payment of judgments or settlements under Paragraph **A**. Bodily Injury And Property Damage Liability or Paragraph **B**. Personal And Advertising Injury Liability or medical expenses under Paragraph **C**. Locations And Operations Medical Payments.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the "insured" with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material, if done by or at the direction of the "insured" with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the "insured".

e. Contractual

"Personal and advertising injury" for which the "insured" has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the "insured" would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Electronic Chat Rooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chat room or bulletin board the "insured" hosts, owns, or over which the "insured" exercises control.

k. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

l. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

m. Pollution-related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

n. War

"Personal and advertising injury" arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

o. Recording And Distribution Of Material Or Information In Violation Of Law

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair And Accurate Credit Transaction Act (FACTA); or

- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

p. Employment-related Practices

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraph (1)(a), (b) or (c) above are directed.

This exclusion applies:

- (a) Whether the injury-causing event described in Paragraph (1)(a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (b) Whether the "insured" may be liable as an employer or in any other capacity; and
- (c) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

q. Acts, Errors Or Omissions

"Personal and advertising injury" arising out of "acts, errors or omissions".

r. Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information. This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

C. Locations And Operations Medical Payments**1. Coverage**

- a. We will pay medical expenses as described below to or for each person who sustains "bodily injury" to which this coverage applies, caused by an "accident" and resulting from your "auto dealer operations".
- b. We will pay only those expenses incurred for services rendered within one year from the date of the "accident".
- c. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
 - (1) First aid administered at the time of an "accident";
 - (2) Necessary medical, surgical, diagnostic imaging and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

This insurance does not apply to "bodily injury":

a. Workers' Compensation

To a person, whether or not an "employee" of any "insured", if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

b. Insured

To any "insured".

c. Hired Person

To a person hired to do work for or on behalf of any "insured" or a tenant of any "insured".

d. Injury On Normally Occupied Premises

To a person injured on that part of the premises you own or rent that the person normally occupies.

e. Athletic Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Injury Away From Auto Dealer Locations

Sustained by a person away from locations owned, maintained or used for your "auto dealer operations".

g. Bodily Injury And Property Damage Liability

Excluded under Paragraph A. Bodily Injury And Property Damage Liability.

D. Who Is An Insured

The following are "insureds" for General Liability Coverages:

1. You.
2. Your partners and their spouses, if you are a partnership, but only with respect to the conduct of your "auto dealer operations".
3. Your members, if you are a limited liability company, but only with respect to the conduct of your "auto dealer operations". Your managers are also "insureds", but only with respect to their duties as your managers.
4. Your "executive officers" and directors, if you are an organization other than a partnership or limited liability company, but only with respect to their duties as your officers or directors. Your stockholders are also "insureds", but only with respect to their liability as stockholders.

5. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of employment by you or while performing duties related to the conduct of your "auto dealer operations". However, no "employee" is an "insured" for:

a. "Bodily injury" or "personal and advertising injury":

- (1) To you (if you are an individual), your partners (if you are a partnership), your members (if you are a limited liability company) or a fellow "employee" of the "insured" while in the course of his or her employment or while performing duties related to the conduct of your "auto dealer operations";
- (2) To the spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph (1) above;
- (3) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1) or (2) above; or
- (4) Arising out of his or her providing or failing to provide professional health care services.

b. "Property damage" to property:

- (1) Owned, occupied or used by;
- (2) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", any partner or member (if you are a partnership) or any member (if you are a limited liability company).

6. Any "auto" dealership that is acquired or formed by you, other than a partnership or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that "auto" dealership. However:

- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the "auto" dealership or the end of the policy period, whichever is earlier; and
- b. Coverage does not apply to:
 - (1) "Bodily injury" or "property damage" that occurred; or

(2) "Personal and advertising injury" arising out of an offense committed

before you acquired or formed the "auto" dealership.

No person or organization is an "insured" with respect to the conduct of any current or past partnership or limited liability company that is not shown as a Named Insured in the Declarations.

E. Supplementary Payments

With respect to coverage provided under Bodily Injury And Property Damage Liability and Personal And Advertising Injury Liability Coverages, we will pay for the "insured":

1. All expenses we incur.
2. The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
3. All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
4. All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
5. All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

F. Limits Of Insurance – General Liability Coverages

1. Regardless of the number of "insureds", claims made or "suits" brought or persons or organizations making claims or bringing "suits", the:

a. General Liability Aggregate Limit shown in the Declarations is the most we will pay for the sum of all:

- (1) Damages under Paragraph A. Bodily Injury And Property Damage Liability, except damages because of "bodily injury" and "property damage" that are both:
 - (a) Sustained away from locations owned, maintained or used for your "auto dealer operations"; and

(b) Arising out of your "products" or "work you performed";

(2) Damages under Paragraph **B. Personal And Advertising Injury Liability**; and

(3) Medical expenses under Paragraph **C. Locations And Operations Medical Payments**.

b. Products And Work You Performed Aggregate Limit is the most we will pay under Paragraph **A. Bodily Injury And Property Damage Liability** for "bodily injury" and "property damage" that are both:

(1) Sustained away from locations owned, maintained or used for your "auto dealer operations"; and

(2) Arising out of your "products" or "work you performed".

2. Subject to Paragraph **1.a.** above, the Personal And Advertising Injury Liability Limit is the most we will pay for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization under Paragraph **B. Personal And Advertising Injury Liability**.

3. Subject to Paragraph **1.a.** above, the Locations And Operations Medical Payments Limit is the most we will pay for all medical expenses because of "bodily injury" for each person injured in any one "accident" under Paragraph **C. Locations And Operations Medical Payments**.

4. Subject to Paragraph **1.a.** or **1.b.** above, whichever applies, the General Liability Bodily Injury And Property Damage Liability Each "Accident" Limit shown in the Declarations is the most we will pay for the sum of all damages under Paragraph **A. Bodily Injury And Property Damage Liability** resulting from any one "accident".

Damages payable under any applicable Limits of Insurance for General Liability Coverages are not payable under Section **I – Covered Autos Coverages** or Section **III – Acts, Errors Or Omissions Liability Coverage**.

5. Subject to Paragraph **4.** above, the Damage To Premises Rented To You Limit is the most we will pay under Paragraph **A. Bodily Injury And Property Damage Liability** for damages because of "property damage" to any one premises, while rented to you or, in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.

6. The Aggregate Limits of Insurance for General Liability Coverages apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Aggregate Limits of Insurance – General Liability Coverages.

7. We will deduct \$500 from the damages in any "accident" resulting from "property damage" to an "auto" as a result of "work you performed" on that "auto".

SECTION III – ACTS, ERRORS OR OMISSIONS LIABILITY COVERAGES

A. Coverage

We will pay all sums that an "insured" legally must pay as damages because of any "act, error or omission" of the "insured" to which this insurance applies and arising out of the conduct of your "auto dealer operations", but only if the "act, error or omission" is committed in the coverage territory during the policy period.

We will have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for "acts, error or omissions" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. But:

1. The amount we will pay for damages is limited as described in Paragraph **E. Limits Of Insurance And Deductible**; and
2. Our duty to defend or settle ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Paragraph **D. Supplementary Payments**.

B. Exclusions

This insurance does not apply to:

1. Criminal, Fraudulent, Malicious, Dishonest Or Intentional Acts

Damages arising out of any criminal, fraudulent, malicious, dishonest or intentional "act, error or omission" by an "insured", including the willful or reckless violation of any law or regulation. However, this exclusion does not apply to any "insured" who did not:

- a. Personally commit;

- b. Personally participate in;
- c. Personally acquiesce to; or
- d. Remain passive after having knowledge of; any such "act, error or omission".

2. Bodily Injury, Property Damage Or Personal And Advertising Injury

"Bodily injury", "property damage" or "personal and advertising injury".

3. Profit Gain

Damages based upon, attributable to or arising in fact out of the gaining of any profit, remuneration or advantage to which any "insured" was not entitled.

4. Contractual

Liability for which the "insured" has assumed in a contract or agreement. This exclusion does not apply to liability for damages that the "insured" would have in the absence of the contract or agreement.

5. Noncompensatory Damages

Criminal fines or penalties imposed by law or regulation, punitive or exemplary damages or demands for injunctive or equitable relief.

6. Quality Or Performance Of Goods – Failure To Conform To Statements

Damages arising out of the failure of goods, products or services to conform with any statement of quality or performance.

7. Recording And Distribution Of Material Or Information In Violation Of Law

Damages arising directly or indirectly out of any "act, error or omission" that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- c. The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- d. Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

8. Discrimination

Damages arising directly or indirectly out of any "act, error or omission" that violates a person's civil rights with respect to such person's race, color, national origin, religion, gender, marital status, age, sexual orientation or preference, physical or mental condition, or any other protected class or characteristic established by any federal, state or local statutes, rules or regulations.

9. Bankruptcy Or Insolvency

Damages arising out of the:

- a. Bankruptcy;
- b. Financial inability to pay;
- c. Insolvency;
- d. Liquidation; or
- e. Receivership;

of any insurance company, reinsurer or other risk-assuming entity in which the "insured" has placed or obtained insurance for a customer.

However, this exclusion does not apply if the insurance company, reinsurer or other risk-assuming entity was rated "B+" or higher by A. M. Best Company, Inc. at the time the insurance was placed or obtained.

10. Access Or Disclosure Of Confidential Or Personal Information

Damages arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information. This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

C. Who Is An Insured

The following are "insureds" for "acts, errors or omissions":

- 1. You.
- 2. Your partners and their spouses, if you are a partnership, but only with respect to the conduct of your "auto dealer operations".
- 3. Your members, if you are a limited liability company, but only with respect to the conduct of your "auto dealer operations". Your managers are also "insureds", but only with respect to their duties as your managers.

4. Your "executive officers" and directors, if you are an organization other than a partnership or limited liability company, but only with respect to their duties as your officers or directors. Your stockholders are also "insureds", but only with respect to their liability as stockholders.
5. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of employment by you or while performing duties related to the conduct of your "auto dealer operations".
6. Any "auto" dealership that is acquired or formed by you, other than a partnership or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that "auto" dealership. However:
 - a. Coverage under this provision is afforded only until the 90th day after you acquire or form the "auto" dealership or the end of the policy period, whichever is earlier; and
 - b. Coverage does not apply to "acts, errors or omissions" that were committed before you acquired or formed the "auto" dealership.

No person or organization is an "insured" with respect to the conduct of any current or past partnership or limited liability company that is not shown as a Named Insured in the Declarations.

D. Supplementary Payments

With respect to "Acts, Errors Or Omissions" Liability Coverage, we will pay for the "insured":

1. All expenses we incur.
2. The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
3. All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
4. All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".

5. All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

E. Limit Of Insurance And Deductible

1. Regardless of the number of:
 - a. "Insureds";
 - b. Claims made or "suits" brought;
 - c. Persons or organizations making claims or bringing "suits"; or
 - d. "Acts, errors or omissions",
 the "Acts, Errors Or Omissions" Liability Aggregate Limit shown in the Declarations is the most we will pay for all damages because of "acts, errors or omissions" under Section III.
2. Damages payable under the Limits of Insurance for "Acts, Errors Or Omissions" Liability Coverage are not payable under any applicable Limits of Insurance under Section I – Covered Autos Coverages or Section II – General Liability Coverages.
3. Our obligation to pay damages applies only to the amount of damages in excess of any deductible amount stated in the Declarations as applicable to this coverage. The Limits of Insurance for "Acts, Errors Or Omissions" Liability Coverage will not be reduced by the amount of this deductible.
 To settle a claim or "suit", we may pay all or any part of the deductible. If this happens, you must reimburse us for the deductible or that part of the deductible that we paid.
4. The "Acts, Errors Or Omissions" Liability Aggregate Limit applies separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the "Acts, Errors Or Omissions" Liability Aggregate Limit.

SECTION IV – CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

A. Loss Conditions**1. Appraisal For Physical Damage Loss**

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire.

The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

2. Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions

We have no duty to provide coverage under this Policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit", offense, "loss" or "act, error or omission", you must give us or our authorized representative prompt notice of the "accident", offense, "loss" or "act, error or omission". Include:
 - (1) How, when and where the "accident", offense, "loss" or "act, error or omission" occurred;
 - (2) What the "act, error or omission" was;
 - (3) The "insured's" name and address;
 - (4) To the extent possible, the names and addresses of:
 - (a) Any injured persons and witnesses; or
 - (b) Anyone who may suffer damages as a result of an "act, error or omission".
- b. Additionally, you and any other involved "insured" must:
 - (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.

- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
 - (4) Authorize us to obtain medical records or other pertinent information.
 - (5) Submit to examination at our expense, by physicians of our choice, as often as we reasonably require.
 - (6) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the "insured" because of an "act, error or omission" to which this insurance may also apply.
- c. If there is "loss" to a covered "auto" or its equipment, you must also do the following:
- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
 - (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
 - (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
 - (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

3. Legal Action Against Us

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under any liability coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this Policy to bring us into an action to determine the "insured's" liability.

4. Loss Payment – Physical Damage Coverages

At our option, we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

5. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

This condition does not apply to damages under Paragraph C. Locations And Operations Medical Payments Coverage of Section II – General Liability Coverages.

B. General Conditions**1. Bankruptcy**

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

2. Concealment, Misrepresentation Or Fraud

This Coverage Form is void in any case of fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceals or misrepresents a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

3. Liberalization

If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

4. No Benefit To Bailee – Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. Other Insurance

a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Covered Autos Liability Coverage this Coverage Form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own; or
- (2) Primary while it is connected to a covered "auto" you own.

b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract".

d. For General Liability and "Acts, Errors Or Omissions" Liability Coverages, this insurance is primary except when e. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in f. below.

e. This Coverage Form is excess over any other insurance, whether primary, excess, contingent or on any other basis:

- (1) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
- (2) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;

(3) If the "loss" arises out of the maintenance or use of aircraft or watercraft to the extent not subject to Exclusion g. of Paragraph A. Bodily Injury And Property Damage Liability of Section II – General Liability Coverages; or

(4) That is specifically written to apply as primary insurance for liability arising out of your "acts, errors or omissions".

f. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. Premium Audit

- a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this Policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.
- b. If this Policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the Policy.

7. Policy Period, Coverage Territory

Under this Coverage Form, we cover:

- a. "Bodily injury", "property damage" and "losses" occurring;
- b. "Personal and advertising injury" offenses and "acts, errors or omissions" committed; and
- c. "Covered pollution cost or expense" arising out of "accidents" occurring,

during the policy period shown in the Declarations and within the coverage territory.

The coverage territory is:

- (1) The United States of America;
- (2) The territories and possessions of the United States of America;

(3) Puerto Rico;

(4) Canada; and

(5) Anywhere else in the world if:

- (a) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less;
- (b) The "bodily injury", "property damage" or "personal and advertising injury" is caused by an "insured" who permanently lives within the United States of America, its territories or possessions, Puerto Rico or Canada while the "insured" is temporarily outside of one of those places;
- (c) The "personal and advertising injury" offense takes place through the Internet or similar electronic means of communication; or
- (d) The "bodily injury" or "property damage" is caused by one of your "products" which is sold for use in the United States of America, its territories or possessions, Puerto Rico or Canada,

provided that the "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada, or in a settlement we agree to.

However, the coverage territory described in Paragraph (5) above does not apply to "work you performed".

We also cover "bodily injury", "property damage", "covered pollution cost or expense" and "losses" while a covered "auto" is being transported between the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada.

8. Two Or More Coverage Forms Or Policies Issued By Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us applies to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

SECTION V – DEFINITIONS

- A.** "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".
- B.** "Act, error or omission" means any actual or alleged negligent act, error or omission committed by an "insured" in the course of your "auto dealer operations" arising:
1. Out of an "insured's" failure to comply with any local, state or federal law or regulation concerning the disclosure of credit or lease terms to consumers in connection with the sale or lease of an "auto" in your "auto dealer operations", including, but not limited to, the Truth In Lending and Consumer Leasing Acts;
 2. Out of an "insured's" failure to comply with any local, state or federal law or regulation concerning the disclosure of accurate odometer mileage to consumers in connection with the sale or lease of an "auto" in your "auto dealer operations";
 3. In an "insured's" capacity as an insurance agent or broker in the offering, placement or maintenance of any "auto" physical damage, auto loan/lease gap, credit life or credit disability insurance sold in connection with the sale or lease of an "auto" in your "auto dealer operations", but only if the "insured" holds a valid insurance agent or broker license at the time the "act, error or omission" is committed, in the jurisdiction in which your "auto dealer operations" is located, if required to do so by such jurisdiction; and
 4. Out of a defect in title in connection with the sale or lease of an "auto" in your "auto dealer operations".
- C.** "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
1. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 2. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
- D.** "Auto" means a land motor vehicle, "trailer" or semitrailer.
- E.** "Auto dealer operations" means the ownership, maintenance or use of locations for an "auto" dealership and that portion of the roads or other accesses that adjoin these locations. "Auto dealer operations" also include all operations necessary or incidental to an "auto" dealership.
- F.** "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these.
- G.** "Covered pollution cost or expense" means any cost or expense arising out of:
1. Any request, demand, order or statutory or regulatory requirement that the "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of, "pollutants".
- "Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
- a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";
 - (2) Otherwise in the course of transit by or on behalf of the "insured";
 - (3) Being stored, disposed of, treated or processed in or upon the covered "auto"; or
 - b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
 - c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if the "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants".

Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

H. "Customer's auto" means a land motor vehicle, "trailer" or semitrailer lawfully within your possession for service, repair, storage or safekeeping, with or without the vehicle owner's knowledge or consent. A "customer's auto" also includes any such vehicle left in your care by your "employees" and members of their households who pay for services performed.

I. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".

J. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

K. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.

L. "Impaired property" means tangible property, other than your "product" or "work you performed", that cannot be used or is less useful because:

1. It incorporates your "product" or "work you performed" that is known or thought to be defective, deficient, inadequate or dangerous; or
2. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of your "product" or "work you performed" or your fulfilling the terms of the contract or agreement.

M. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.

N. "Insured contract" means:

1. A lease of premises;
2. A sidetrack agreement;
3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
5. That part of any other contract or agreement pertaining to your "auto" dealership (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
6. An elevator maintenance agreement; or
7. That part of any contract or agreement entered into, as part of your "auto" dealership, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a.** That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (1) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawing and specifications; or
 - (2) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage.
- b.** That indemnifies any person or organization for damage by fire to premises rented or loaned to you or temporarily occupied by you with permission of the owner.

- c. That pertains to the loan, lease or rental of an "auto", to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver.
 - d. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.
 - e. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing.
- O.** "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- P.** "Loading or unloading" means the handling of property:
- 1. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - 2. While it is in or on an aircraft, watercraft or "auto"; or
 - 3. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;
- but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".
- Q.** "Loss" means direct and accidental loss or damage. But for Garagekeepers Coverage only, "loss" also includes any resulting loss of use.
- R.** "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
- 1. False arrest, detention or imprisonment;
 - 2. Malicious prosecution;
 - 3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - 4. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - 5. Oral or written publication, in any manner, of material that violates a person's right of privacy;
 - 6. The use of another's advertising idea in your "advertisement"; or
 - 7. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
- S.** "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- T.** "Products" includes:
- 1. The goods or products made or sold in an "auto" dealership by:
 - a. You; or
 - b. An "auto" dealership you have acquired; and
 - 2. The providing of or failure to provide warnings or instructions.
- U.** "Property damage" means damage to or loss of use of tangible property.
- V.** "Suit" means a civil proceeding in which:
- 1. Damages because of "bodily injury", "property damage", "personal and advertising injury" or "acts, errors or omissions"; or
 - 2. A "covered pollution cost or expense", to which this insurance applies, are claimed.
- "Suit" includes:
- a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" submits with our consent.
- W.** "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- X.** "Trailer" includes semitrailer.

Y. "Unmanned aircraft" means an aircraft that is not:

1. Designed;
2. Manufactured; or
3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

Z. "Work you performed" includes:

1. Work that someone performed on your behalf; and
2. The providing of or failure to provide warnings or instructions.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UNMANNED AIRCRAFT EXCLUSION FOR GENERAL LIABILITY COVERAGES

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

Section II – General Liability Coverages is changed as follows:

A. Exclusion 2.g. Aircraft, Auto Or Watercraft under Paragraph **A. Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to any of the following:

g. Aircraft, Auto Or Watercraft

(1) Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **g.(1)** applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "accident" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

(2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any "insured". Use includes operation and "loading or unloading".

This Paragraph **g.(2)** applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "accident" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any "insured".

This Paragraph **g.(2)** does not apply to:

- (a)** A watercraft while ashore on premises where you conduct "auto dealer operations";

- (b) A watercraft you do not own that is:
 - (i) Less than 26 feet long; and
 - (ii) Not being used to carry persons or property for a charge; or
- (c) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft.

B. The following exclusion is added to Paragraph 2. Exclusions of Coverage B – Personal And Advertising Injury Liability:

This insurance does not apply to:

Unmanned Aircraft

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a. The use of another's advertising idea in your "advertisement"; or
- b. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ILLINOIS CHANGES –
CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. The Cancellation Common Policy Condition is replaced by the following:**Cancellation**

1. The first Named Insured shown in the Declarations may cancel this Policy by mailing us advance written notice of cancellation.
2. When this Policy is in effect 61 days or more or is a renewal or continuation policy, we may cancel only for one or more of the following reasons by mailing you written notice of cancellation, stating the reasons for cancellation.
 - a. Nonpayment of premium.
 - b. The Policy was obtained through a material misrepresentation.
 - c. Any "insured" has violated any of the terms and conditions of the Policy.
 - d. The risk originally accepted has measurably increased.
 - e. Certification to the Director of Insurance of the loss of reinsurance by the insurer which provided coverage to us for all or a substantial part of the underlying risk insured.
 - f. A determination by the Director of Insurance that the continuation of the Policy could place us in violation of the Illinois insurance laws.
3. If we cancel for nonpayment of premium, we will mail you at least 10 days' written notice.
4. If this Policy is cancelled for other than nonpayment of premium and the Policy is in effect:
 - a. 60 days or less, we will mail you at least 30 days' written notice.

- b. 61 days or more, we will mail you at least 60 days' written notice.

5. If this Policy is cancelled, we will send you any premium refund due. If we cancel, the refund will be pro rata. If you cancel, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
 6. The effective date of cancellation stated in the notice shall become the end of the policy period.
 7. Our notice of cancellation will state the reason for cancellation.
 8. We will mail our cancellation notice to you at your last address known to us. Proof of mailing will be sufficient proof of notice.
 9. Notification of cancellation will also be sent to your broker, if known, or agent of record, if known, and to the loss payee listed on the Policy.
- B. The following is added and supersedes any provision to the contrary:**

Nonrenewal

If we decide not to renew or continue this Policy, we will mail you written notice, stating the reason for nonrenewal, at least 60 days before the end of the policy period. Proof of mailing will be sufficient proof of notice. Notification will also be sent to your broker, if known, or agent of record, if known, and to the loss payee listed on the Policy. If we offer to renew or continue and you do not accept, this Policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this Policy will end on the effective date of that insurance.

FILED DATE: 10/25/2024 4:42 PM 2024CH09759

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS EMPLOYMENT PRACTICES LIABILITY AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

EMPLOYMENT PRACTICES LIABILITY ENDORSEMENT

A. The term spouse is replaced by the following:

Spouse or party to a civil union recognized under Illinois Law.

B. The following is added to Paragraph B. Defense of Claims, Administrative Hearings & Settlement Authority under Section I – Coverage: Employment Practices Liability:

If we initially defend an insured or pay for an insured's defense but later determine that the claim(s) is (are) not covered under this insurance, we will have the right to reimbursement for the defense costs we have incurred.

The right to reimbursement for the defense costs under this provision will only apply to defense costs we have incurred after we notify you in writing that there may not be coverage, and that we are reserving our rights to terminate the defense and seek reimbursement for defense costs.

C. Paragraph C. under Section III – Limits of Insurance is replaced by the following:

C. In addition to the payments for "damages" and "defense expense" in paragraphs **A.** and **B.** above, we will also pay all interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the amount available for the judgment under the provisions of paragraphs **A.** and **B.** above. Any interest paid will not reduce the Each Related Wrongful Employment Practices Limit or the Total Aggregate Limit.

D. Paragraph K. under Section VI – Conditions does not apply.

E. Paragraph D. under Section VIII – Definitions is replaced by the following:

D. "Damages" means monetary amounts to which this insurance applies and which the insured is legally obligated to pay as judgments or awards, or as settlements to which we have agreed in writing. "Damages" include (i) to the extent allowed by law, any portion of a judgment or award that represents a multiple of the compensatory amounts or punitive or exemplary damages, and (ii) statutory attorney fees.

"Damages" do not include:

1. Civil, criminal, administrative or other fines or penalties;
2. Equitable relief, injunctive relief, declarative relief or any other relief or recovery other than monetary amounts; or
3. Judgments or awards because of acts deemed uninsurable by law.

All other terms and conditions of this Coverage Form remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – AUTO DEALERS COVERAGE FORM

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, Illinois, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Covered Autos Liability Coverage

1. Paragraphs **2.b.(3)** and **2.b.(4)** of the **Who Is An Insured** provision do not apply.
2. The **Limit Of Insurance – Covered Autos Liability** provision applies except that we will apply the Covered Autos Liability Coverage limit shown in the Declarations to first provide the separate limits required by the Illinois Safety Responsibility Law as follows:
 - a. \$25,000 for "bodily injury" to any one person caused by any one "accident";
 - b. \$50,000 for "bodily injury" to two or more persons caused by any one "accident"; and
 - c. \$20,000 for "property damage" caused by any one "accident".

This provision will not change our total Limit of Insurance for Covered Autos Liability Coverage.

B. Changes In Physical Damage Coverage

Paragraph **4.c.** of the **Limits Of Insurance** provision is replaced by the following:

- c. We may deduct for betterment if:
 - (1) The deductions reflect a measurable decrease in market value attributable to the poorer condition of, or prior damage to, the vehicle.
 - (2) The deductions are for prior wear and tear, missing parts and rust damage that are reflective of the general overall condition of the vehicle considering its age. In this event, deductions may not exceed \$500.

C. Changes In Conditions

The following is added to the **Other Insurance** Condition:

1. Covered Autos Liability Coverage provided by this Coverage Form for any "auto" you do not own is primary if:
 - a. The "auto" is owned or held for sale or lease by a new or used vehicle dealership;
 - b. The "auto" is operated by an "insured" with the permission of the dealership described in Paragraph **1.a.** while your "auto" is being repaired or evaluated; and
 - c. The Limit of Insurance for Covered Autos Liability Coverage under this Policy is at least:
 - (1) \$100,000 for "bodily injury" to any one person caused by any one "accident";
 - (2) \$300,000 for "bodily injury" to two or more persons caused by any one "accident"; and
 - (3) \$50,000 for "property damage" caused by any one "accident".
2. If you are a new or used vehicle dealership, Covered Autos Liability Coverage provided by this Coverage Form for any "auto" you own or hold for sale or lease, which is operated by an "insured" with your permission while such "insured's" auto is being repaired or evaluated, is excess over any other collectible insurance if such "insured" has liability insurance providing limits of at least:
 - a. \$100,000 for "bodily injury" to any one person caused by any one "accident";
 - b. \$300,000 for "bodily injury" to two or more persons caused by any one "accident"; and
 - c. \$50,000 for "property damage" caused by any one "accident".

POLICY NUMBER: B010120

COMMERCIAL AUTO
CA 21 30 01 15**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS UNINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, Illinois, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the Policy effective on the inception date of the Policy unless another date is indicated below.

Named Insured: Siglers Automotive and Body Shop, Inc

Endorsement Effective Date: 03-10-2023

SCHEDULE

Limit Of Insurance: \$1,000,000

Each "Accident"

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. Any judgment for damages arising out of a "suit" brought without our written consent is not binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".

- b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
- c. Anyone else "occupying" an "auto" you do not own who is an "insured" for Covered Autos Liability under the Coverage Form, but only at times when that person is an "insured" for Covered Autos Liability under the Coverage Form.
- d. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
 - a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

- b. Anyone else "occupying" an "auto" you do not own who is an "insured" for Covered Autos Liability under the Coverage Form, but only at times when that person is an "insured" for Covered Autos Liability under the Coverage Form.
- c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to any of the following:

1. Any claim settled without our consent.
2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
3. "Bodily injury" sustained by:
 - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form;
 - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form; or
 - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Uninsured Motorists Coverage on a primary basis under any other Coverage Form or policy.
4. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
5. Punitive or exemplary damages.
6. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the Limit Of Insurance for Uninsured Motorists Coverage shown in the Schedule or Declarations.

We will apply the limit shown in the Declarations to first provide the separate limits required by the Illinois Safety Responsibility Law as follows:

- a. \$25,000 for "bodily injury" to any one person caused by any one "accident"; and
- b. \$50,000 for "bodily injury" to two or more persons caused by any one "accident".

This provision will not change our total limit of liability.

2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage form, Medical Payments Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

We will not make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law.

E. Changes In Conditions

The **Conditions** are changed for Uninsured Motorists Coverage as follows:

1. **Other Insurance** in the Auto Dealers and Business Auto Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all Coverage Forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any Coverage Form or policy providing coverage on either a primary or excess basis.

b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible uninsured motorists insurance providing coverage on a primary basis.

c. If the coverage under this Coverage Form is provided:

(1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.

(2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

2. Duties In The Event Of Accident, Claim, Suit Or Loss in the Business Auto and Motor Carrier Coverage Forms and **Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions** in the Auto Dealers Coverage Form are changed by adding the following:

- a. Promptly notify the police if a hit-and-run driver is involved; and
- b. Promptly send us copies of the legal papers if a "suit" is brought.

3. Legal Action Against Us is replaced by the following:

Legal Action Against Us

- a. No one may bring a legal action against us under this Coverage Form until there has been full compliance with all the terms of this Coverage Form.
- b. Any legal action against us must be brought within two years after the date of the "accident". However, this Paragraph **3.b.** does not apply to an "insured" if, within two years after the date of the "accident", arbitration proceedings have commenced in accordance with the provisions of this Coverage Form.

4. Transfer Of Rights Of Recovery Against Others To Us does not apply.

5. The following conditions are added:

Reimbursement And Trust

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

Arbitration

a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to the amount of damages, then the disagreement will be arbitrated. If the "insured" requests, we and the "insured" will each select an arbitrator. The two arbitrators will select a third. If the arbitrators are not selected within 45 days of the "insured's" request, either party may request that arbitration be submitted to the American Arbitration Association. We will bear all the expenses of the arbitration except when the "insured's" recovery exceeds the minimum limit specified in the Illinois Safety Responsibility Law.

If this occurs, the "insured" will be responsible for payment of his or her expenses and an equal share of the expenses of the third arbitrator up to the amount by which the "insured's" recovery exceeds the statutory minimum.

b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives.

c. If arbitration is submitted to the American Arbitration Association, then the American Arbitration Association rules shall apply to all matters except medical opinions. As to medical opinions, if the amount of damages being sought:

- (1) Is equal to or less than the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then the American Arbitration Association rules shall apply.
- (2) Exceeds the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then rules of evidence that apply in the circuit court for placing medical opinions into evidence shall apply.

In all other arbitration proceedings, local rules of law as to arbitration procedure and evidence will apply.

- d. If the arbitration involves three arbitrators, a decision agreed to by two of the arbitrators will be binding for the amount of damages not exceeding the lesser of either:

- (1) \$75,000 for "bodily injury" to any one person/\$150,000 for "bodily injury" to two or more persons caused by any one "accident"; or

- (2) The Limit Of Uninsured Motorists Insurance shown in the Schedule or Declarations.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption, who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
 - a. For which no liability bond or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged;

- b. For which an insuring or bonding company denies coverage or is or becomes insolvent; or

- c. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must hit, or cause an object to hit, an "insured", a covered "auto" or a vehicle an "insured" is "occupying". If there is no physical contact with the hit-and-run vehicle, the facts of the "accident" must be proved.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- b. Owned by a governmental unit or agency; or
- c. Designed for use mainly off public roads while not on public roads.

POLICY NUMBER: B010120

COMMERCIAL AUTO
CA 21 38 10 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS UNDERINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, Illinois, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: Siglers Automotive and Body Shop, Inc

Endorsement Effective Date: 03-10-2023

SCHEDULE

Limit Of Insurance: \$ 1,000,000

Each "Accident"

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "underinsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "underinsured motor vehicle".
2. We will pay only after all liability bonds or policies have been exhausted by payment of judgments or settlements, unless:
 - a. We have been given prompt written notice of a "tentative settlement" and decide to advance payment to the "insured" in an amount equal to that "tentative settlement" within 30 days after receipt of notification; or

- b. We and an "insured" have reached a "settlement agreement".

3. Any judgment for damages arising out of a "suit" brought without written notice to us is not binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".
 - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

- c. Anyone else "occupying" an "auto" you do not own who is an "insured" for Covered Autos Liability Coverage under the Coverage Form, but only at times when that person is an "insured" for Covered Autos Liability Coverage under the Coverage Form.
 - d. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
- a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - b. Anyone else "occupying" an "auto" you do not own who is an "insured" for Covered Autos Liability Coverage under the Coverage Form, but only at times when that person is an "insured" for Covered Autos Liability Coverage under the Coverage Form.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to any of the following:

- 1. The direct or indirect benefit of any insurer under any workers' compensation, disability benefits or similar law.
- 2. "Bodily injury" sustained by:
 - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Underinsured Motorists Coverage under this Coverage Form;
 - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Underinsured Motorists Coverage under this Coverage Form; or
 - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Underinsured Motorists Coverage on a primary basis under any other Coverage Form or policy.

- 3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
- 4. Punitive or exemplary damages.
- 5. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

- 1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the Limit Of Insurance for Underinsured Motorists Coverage shown in this endorsement.
- 2. Except in the event of a "settlement agreement", the Limit of Insurance for this coverage shall be reduced by all sums paid or payable:
 - a. By or for anyone who is legally responsible, including all sums paid under this Coverage Form's Covered Autos Liability Coverage.
 - b. Under any workers' compensation, disability benefits or similar law. However, the Limit of Insurance for this coverage shall not be reduced by any sums paid or payable under Social Security disability benefits.
 - c. Under any automobile medical payments coverage.
- 3. In the event of a "settlement agreement", the maximum Limit of Insurance for this coverage shall be the amount by which the Limit of Insurance for this coverage exceeds the limits of bodily injury liability bonds or policies applicable to the owner or operator of the "underinsured motor vehicle".
- 4. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage form.

E. Changes In Conditions

The Conditions are changed for Underinsured Motorists Coverage as follows:

1. **Other Insurance** in the Auto Dealers and Business Auto Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any Coverage Form or policy providing coverage on either a primary or excess basis.
- b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible underinsured motorists insurance providing coverage on a primary basis.
- c. If the coverage under this Coverage Form is provided:
 - (1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
 - (2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

2. **Duties In The Event Of Accident, Claim, Suit Or Loss** in the Business Auto and Motor Carrier Coverage Forms and **Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions** in the Auto Dealers Coverage Form are changed by adding the following:

- a. Give us written notice of a "tentative settlement" and allow us to advance payment in an amount equal to that settlement within 30 days after receipt of notification to preserve our rights against the owner or operator of the "underinsured motor vehicle".

- b. File "suit" against the owner or operator of the "underinsured motor vehicle" prior to the conclusion of a "settlement agreement". Such "suit" cannot be abandoned or settled without giving us written notice of a "tentative settlement" and allowing us 30 days to advance payment in an amount equal to that settlement to preserve our rights against the owner or operator of the "underinsured motor vehicle".

- c. Promptly send us copies of the legal papers if a "suit" is brought.

3. **Legal Action Against Us** is replaced by the following:

Legal Action Against Us

- a. No one may bring a legal action against us under this Coverage Form until there has been full compliance with all the terms of this Coverage Form.
- b. Any legal action against us under this Coverage Form must be brought within two years after the date of the "accident". However, this Paragraph **3.b.** does not apply if, within two years after the date of the "accident":
 - (1) Arbitration proceedings have commenced in accordance with the provisions of this Coverage Form; or
 - (2) The "insured" has filed an action for "bodily injury" against the owner or operator of an "underinsured motor vehicle", and such action is:
 - (a) Filed in a court of competent jurisdiction; and
 - (b) Not barred by the applicable state statute of limitations.

In the event that the two-year time limitation identified in this condition does not apply, the applicable state statute of limitations will govern legal action against us under this Coverage Form.

4. The following is added to **Transfer Of Rights Of Recovery Against Others To Us**:

Transfer Of Rights Of Recovery Against Others To Us does not apply to damages caused by an "accident" with an "underinsured motor vehicle" if we:

- a. Have been given written notice of a "tentative settlement" between an "insured" and the insurer of an "underinsured motor vehicle"; and

- b. Fail to advance payment to the "insured" in an amount equal to the "tentative settlement" within 30 days after receipt of the notice.

If we advance payment to the "insured" in an amount equal to the "tentative settlement" within 30 days after receipt of notice:

- a. That payment will be separate from any amount the "insured" is entitled to recover under the provisions of Underinsured Motorists Coverage; and
- b. We will also have a right to recover the advanced payment.

However, in the event of a "settlement agreement", we shall be entitled to recover only for amounts which exceed the limit of bodily injury liability bonds or policies applicable to the owner or operator of the "underinsured motor vehicle".

5. The following conditions are added:

Reimbursement And Trust

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

However, in the event of a "settlement agreement", we shall be entitled to recover only for amounts which exceed the limit of bodily injury liability bonds or policies applicable to the owner or operator of the "underinsured motor vehicle".

Arbitration

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "underinsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured", then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. Either party may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.

- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption, who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Settlement agreement" means we and an "insured" agree that the "insured" is legally entitled to recover, from the owner or operator of the "underinsured motor vehicle", damages for "bodily injury" and, without arbitration, agree also as to the amount of damages. Such agreement is final and binding regardless of any subsequent judgment or settlement reached by the "insured" with the owner or operator of the "underinsured motor vehicle".
4. "Tentative settlement" means an offer from the owner or operator of the "underinsured motor vehicle" to compensate an "insured" for damages incurred because of "bodily injury" sustained in an accident involving an "underinsured motor vehicle".
5. "Underinsured motor vehicle" means a land motor vehicle or "trailer" for which the sum of all liability bonds or policies at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged, but that sum is either less than the Limit of Insurance of this coverage or reduced by payments to other persons resulting from the same "accident" to an amount less than the Limit of Insurance of this coverage. However, "underinsured motor vehicle" does not include any vehicle:
 - a. Owned or operated by any self-insurer under any applicable motor vehicle law.
 - b. Owned by a governmental unit or agency.
 - c. Designed for use mainly off public roads while not on public roads.
 - d. Which is an "uninsured motor vehicle".



Endorsement

Commercial Liability Umbrella Coverage Declarations**Customer Number:** 1000122645**Policy Number:** B010120 05**Policy Period:** 12/01/2022 to 12/01/2023

at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:Siglers Automotive and Body Shop, Inc
7445 Channel Rd
Skokie, IL 60076-4042**Agency Name and Address:**ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

12778

Limits of InsuranceAggregate Limit \$2,000,000
(Except with Respect to "Covered Autos")

Personal and Advertising Injury Limit \$2,000,000

Each Occurrence \$2,000,000

Terrorism Risk Insurance Act Included

Umbrella Premium \$2,081**This is not a bill.** A billing invoice will be sent separately.

See attached schedule for forms applicable to all coverage parts.

Countersignature _____

(Authorized Representative)

Date _____



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Retained Limit

Self-Insured Retention

Waived

Schedule of Underlying Insurance**Auto Dealers Liability**

Insurer: West Bend Mutual Insurance Company

Policy Number: B010120

Policy Term: Refer to Underlying Policy

Limits of Insurance:

Personal And Advertising Injury	\$1,000,000
Each Accident – Covered Autos Liability	\$1,000,000
Each Accident – General Liability Bodily Injury And Property Damage Liability	\$1,000,000
Products And work You Performed Aggregate	\$3,000,000
General Liability Aggregate	\$3,000,000



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630-468-5400

12778

Miscellaneous and Endorsement Premium Schedule

Description	Form Number	Premium
Terrorism Risk Insurance Act	CU2130	No Charge
Total Miscellaneous and Endorsement Premium:		\$0



Endorsement

Commercial Liability Umbrella Coverage Declarations**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

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Skokie, IL 60076-4042

Agency Name and Address:

ROBERTSON-RYAN & ASSOC INC
815 COMMERCE DR, STE 240
OAK BROOK, IL 60523
630-468-5400

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Forms Schedule

Number	Edition	Description
CU0001	0413	COMMERCIAL LIABILITY UMBRELLA COVERAGE FORM
CU2123	0202	NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT
CU2130	0115	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
CU2150	0305	SILICA OR SILICA-RELATED DUST EXCLUSION
CU2171	0615	EXCLUSION – UNMANNED AIRCRAFT
CU2186	0514	EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY - WITH LIMITED BODILY INJURY EXCEPTION
CU2190	1116	PUBLIC OR LIVERY PASSENGER CONVEYANCE AND ON-DEMAND DELIVERY SERVICES EXCLUSION
CU2231	0918	AUTO DEALERS ENDORSEMENT
CU2416	0918	AUTO DEALERS BROAD FORM PRODUCTS COVERAGE
WB1210	0118	EXCLUSION - AUTO DEALERS ACTS, ERRORS OR OMISSIONS LIABILITY COVERAGES
WB1468CU	0414	EXCLUSION - ASBESTOS OR ASBESTOS PRODUCTS
WB1475	0708	CONTRACTUAL LIABILITY FOLLOWING FORM ENDORSEMENT
WB2312	0304	YEAR 2000 COMPUTER-RELATED AND OTHER ELECTRONIC PROBLEMS FOLLOWING FORM ENDORSEMENT
WB2709	0118	WHO IS AN INSURED LIMITATION
CU0200	0118	ILLINOIS CHANGES - CANCELLATION AND NONRENEWAL



Endorsement

Commercial Liability Umbrella Coverage Declarations**Customer Number:** 1000122645**Policy Period:** 12/01/2022 to 12/01/2023**Policy Number:** B010120 05

at 12:01 AM Standard Time at Your Mailing Address Shown Below

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Agency Name and Address:

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Forms Schedule

Number	Edition	Description
CU2255	0900	ILLINOIS CHANGES - POLLUTION EXCLUSION - HOSTILE FIRE EXCEPTION

COMMERCIAL LIABILITY UMBRELLA COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "retained limit" because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking damages for such "bodily injury" or "property damage" when the "underlying insurance" does not provide coverage or the limits of "underlying insurance" have been exhausted. When we have no duty to defend, we will have the right to defend, or to participate in the defense of, the insured against any other "suit" seeking damages to which this insurance may apply. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. At our discretion, we may investigate any "occurrence" that may involve this insurance and settle any resultant claim or "suit" for which we have the duty to defend. But:

- (1) The amount we will pay for the "ultimate net loss" is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "bodily injury" or "property damage" that is subject to an applicable "retained limit". If any other limit, such as a sublimit, is specified in the "underlying insurance", this insurance does not apply to "bodily injury" or "property damage" arising out of that exposure unless that limit is specified in the Declarations under the Schedule of "underlying insurance".
- c. This insurance applies to "bodily injury" and "property damage" only if:
 - (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
 - (2) The "bodily injury" or "property damage" occurs during the policy period; and
 - (3) Prior to the policy period, no insured listed under Paragraph 1.a. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
- d. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1.a. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

e. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1.a. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

f. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

(b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage" involved that which is described in Paragraph (1), (2) or (3) above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

This exclusion does not apply to the extent that valid "underlying insurance" for the liquor liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" and "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the liquor liability risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. ERISA

Any obligation of the insured under the Employee Retirement Income Security Act of 1974 (ERISA), and any amendments thereto or any similar federal, state or local statute.

f. Auto Coverages

- (1) "Bodily injury" or "property damage" arising out of the ownership, maintenance or use of any "auto" which is not a "covered auto"; or
- (2) Any loss, cost or expense payable under or resulting from any first-party physical damage coverage; no-fault law; personal injury protection or auto medical payments coverage; or uninsured or underinsured motorist law.

g. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

With respect to injury arising out of a "covered auto", this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits. For the purposes of this insurance, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

This exclusion does not apply to the extent that valid "underlying insurance" for the employer's liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the employer's liability risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

h. Employment-related Practices

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraph (a), (b), or (c) above is directed.

This exclusion applies whether the injury-causing event described in Paragraph (a), (b) or (c) above occurs before employment, during employment or after employment of that person.

This exclusion applies whether the insured may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

i. Pollution

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time; or
- (2) "Pollution cost or expense".

This exclusion does not apply if valid "underlying insurance" for the pollution liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" and "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the pollution risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

j. Aircraft Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 50 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (4) The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described above will follow the same provisions, exclusions and limitations that are contained in the "underlying insurance", unless otherwise directed by this insurance; or

(5) Aircraft that is:

- (a) Chartered by, loaned to, or hired by you with a paid crew; and
- (b) Not owned by any insured.

k. Racing Activities

"Bodily injury" or "property damage" arising out of the use of "mobile equipment" or "autos" in, or while in practice for, or while being prepared for, any prearranged professional or organized racing, speed, demolition, or stunting activity or contest.

l. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

m. Damage To Property

"Property damage" to:

- (1) Property:
 - (a) You own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property; or
 - (b) Owned or transported by the insured and arising out of the ownership, maintenance or use of a "covered auto".
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (1)(b), (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraphs (3) and (4) of this exclusion do not apply to liability assumed under a written Trailer Interchange agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

n. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

o. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

p. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

q. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or

- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

r. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

s. Professional Services

"Bodily injury" or "property damage" due to rendering of or failure to render any professional service. This includes but is not limited to:

- (1) Legal, accounting or advertising services;
- (2) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings or specifications;
- (3) Inspection, supervision, quality control, architectural or engineering activities done by or for you on a project on which you serve as construction manager;
- (4) Engineering services, including related supervisory or inspection services;
- (5) Medical, surgical, dental, X-ray or nursing services treatment, advice or instruction;
- (6) Any health or therapeutic service treatment, advice or instruction;
- (7) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement, or personal grooming or therapy;
- (8) Any service, treatment, advice or instruction relating to physical fitness, including service, treatment, advice or instruction in connection with diet, cardiovascular fitness, bodybuilding or physical training programs;
- (9) Optometry or optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;
- (10) Body piercing services;
- (11) Services in the practice of pharmacy;
- (12) Law enforcement or firefighting services; and
- (13) Handling, embalming, disposal, burial, cremation or disinterment of dead bodies.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", involved the rendering of or failure to render any professional service.

t. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access or inability to manipulate electronic data.

However, this exclusion does not apply to liability for damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

This exclusion does not apply if valid "underlying insurance" for the electronic data risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" and "property damage". The insurance provided under this Coverage Part will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

u. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "retained limit" because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking damages for such "personal and advertising injury" when the "underlying insurance" does not provide coverage or the limits of "underlying insurance" have been exhausted. When we have no duty to defend, we will have the right to defend, or to participate in the defense of, the insured against any other "suit" seeking damages to which this insurance may apply. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. At our discretion, we may investigate any offense that may involve this insurance and settle any resultant claim or "suit" for which we have the duty to defend. But:

- (1) The amount we will pay for the "ultimate net loss" is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "personal and advertising injury" that is subject to an applicable "retained limit". If any other limit, such as a sublimit, is specified in the "underlying insurance", this insurance does not apply to "personal and advertising injury" arising out of that exposure unless that limit is specified in the Declarations under the Schedule of "underlying insurance".
- c. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. "Personal and advertising injury":

(1) Knowing Violation Of Rights Of Another

Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

(2) Material Published With Knowledge Of Falsity

Arising out of oral or written publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.

(3) Material Published Prior To Policy Period

Arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.

(4) Criminal Acts

Arising out of a criminal act committed by or at the direction of the insured.

(5) Contractual Liability

For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to:

- (a)** Liability for damages that the insured would have in the absence of the contract or agreement.
- (b)** Liability for false arrest, detention or imprisonment assumed in a contract or agreement.

(6) Breach Of Contract

Arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

(7) Quality Or Performance Of Goods – Failure To Conform To Statements

Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

(8) Wrong Description Of Prices

Arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

(9) Infringement Of Copyright, Patent, Trademark Or Trade Secret

Arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

(10) Insureds In Media And Internet Type Businesses

Committed by an insured whose business is:

- (a)** Advertising, broadcasting, publishing or telecasting;
- (b)** Designing or determining content of web sites for others; or
- (c)** An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14.a.**, **b.** and **c.** of "personal and advertising injury" under the Definitions section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

(11) Electronic Chatrooms Or Bulletin Boards

Arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

(12) Unauthorized Use Of Another's Name Or Product

Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

(13) Pollution

Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

(14) Employment-related Practices

To:

- (a) A person arising out of any:
 - (i) Refusal to employ that person;
 - (ii) Termination of that person's employment; or
 - (iii) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (b) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraph (i), (ii) or (iii) above is directed.

This exclusion applies whether the injury-causing event described in Paragraph (i), (ii) or (iii) above occurs before employment, during employment or after employment of that person.

This exclusion applies whether the insured may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

(15) Professional Services

Arising out of the rendering of or failure to render any professional service. This includes but is not limited to:

- (a) Legal, accounting or advertising services;
- (b) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings or specifications;
- (c) Inspection, supervision, quality control, architectural or engineering activities done by or for you on a project on which you serve as construction manager;
- (d) Engineering services, including related supervisory or inspection services;
- (e) Medical, surgical, dental, X-ray or nursing services treatment, advice or instruction;

- (f) Any health or therapeutic service treatment, advice or instruction;
- (g) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement, or personal grooming or therapy;
- (h) Any service, treatment, advice or instruction relating to physical fitness, including service, treatment, advice or instruction in connection with diet, cardiovascular fitness, bodybuilding or physical training programs;
- (i) Optometry or optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;
- (j) Body piercing services;
- (k) Services in the practice of pharmacy;
- (l) Law enforcement or firefighting services; and
- (m) Handling, embalming, disposal, burial, cremation or disinterment of dead bodies.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury", involved the rendering of or failure to render any professional service.

(16) War

However caused, arising, directly or indirectly, out of:

- (a) War, including undeclared or civil war;
- (b) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (c) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

(17) Recording And Distribution Of Material Or Information In Violation Of Law

Arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (a) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (b) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (c) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (d) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

b. "Pollution cost or expense".

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend, when the duty to defend exists:
 - a. All expenses we incur.
 - b. Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "occurrence" we cover. We do not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
 - e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. When we have the right but not the duty to defend the insured and elect to participate in the defense, we will pay our own expenses but will not contribute to the expenses of the insured or the "underlying insurer".
3. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

- a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- b. This insurance applies to such liability assumed by the insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:

(1) Agrees in writing to:

- (a) Cooperate with us in the investigation, settlement or defense of the "suit";
- (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
- (c) Notify any other insurer whose coverage is available to the indemnitee; and

- (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
- (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and
 - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I – Coverage A – Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II – WHO IS AN INSURED

1. Except for liability arising out of the ownership, maintenance or use of "covered autos":
 - a. If you are designated in the Declarations as:
 - (1) An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - (2) A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 - (3) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
 - (4) An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

- (5) A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

b. Each of the following is also an insured:

- (1) Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:
 - (a) "Bodily injury" or "personal and advertising injury":
 - (i) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" in the course of his or her employment or performing duties related to the conduct of your business or to your other "volunteer workers" while performing duties related to the conduct of your business;
 - (ii) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (a)(i) above; or
 - (iii) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (a)(i) or (ii) above.
 - (b) "Property damage" to property:
 - (i) Owned, occupied or used by;
 - (ii) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
- (2) Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

- (3) Any person or organization having proper temporary custody of your property if you die, but only:
 - (a) With respect to liability arising out of the maintenance or use of that property; and
 - (b) Until your legal representative has been appointed.
 - (4) Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
 - c. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - (1) Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - (2) Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - (3) Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.
 - 2. Only with respect to liability arising out of the ownership, maintenance or use of "covered autos":
 - a. You are an insured.
 - b. Anyone else while using with your permission a "covered auto" you own, hire or borrow is also an insured except:
 - (1) The owner or anyone else from whom you hire or borrow a "covered auto". This exception does not apply if the "covered auto" is a trailer or semitrailer connected to a "covered auto" you own.
 - (2) Your "employee" if the "covered auto" is owned by that "employee" or a member of his or her household.
 - (3) Someone using a "covered auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from a "covered auto".
 - (5) A partner (if you are a partnership), or a member (if you are a limited liability company) for a "covered auto" owned by him or her or a member of his or her household.
 - (6) "Employees" with respect to "bodily injury" to:
 - (a) Any fellow "employee" of the insured arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
 - (b) The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph (a) above.
 - c. Anyone liable for the conduct of an insured described above is also an insured, but only to the extent of that liability.
 - 3. Any additional insured under any policy of "underlying insurance" will automatically be an insured under this insurance.
- Subject to Section III – Limits Of Insurance, if coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:
- a. Required by the contract or agreement, less any amounts payable by any "underlying insurance"; or
 - b. Available under the applicable Limits of Insurance shown in the Declarations;
- whichever is less.
- Additional insured coverage provided by this insurance will not be broader than coverage provided by the "underlying insurance".
- No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made, "suits" brought, or number of vehicles involved; or
 - c. Persons or organizations making claims or bringing "suits".
2. The Aggregate Limit is the most we will pay for the sum of all "ultimate net loss" under:
 - a. Coverage **A**, except "ultimate net loss" because of "bodily injury" or "property damage" arising out of the ownership, maintenance or use of a "covered auto"; and
 - b. Coverage **B**.
3. Subject to Paragraph 2. above, the Each Occurrence Limit is the most we will pay for the sum of all "ultimate net loss" under Coverage **A** because of all "bodily injury" and "property damage" arising out of any one "occurrence".
4. Subject to Paragraph 2. above, the Personal And Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all "ultimate net loss" because of all "personal and advertising injury" sustained by any one person or organization.
5. If there is "underlying insurance" with a policy period that is nonconcurrent with the policy period of this Commercial Liability Umbrella Coverage Part, the "retained limit(s)" will only be reduced or exhausted by payments for:
 - a. "Bodily injury" or "property damage" which occurs during the policy period of this Coverage Part; or
 - b. "Personal and advertising injury" for offenses that are committed during the policy period of this Coverage Part.

However, if any "underlying insurance" is written on a claims-made basis, the "retained limit(s)" will only be reduced or exhausted by claims for that insurance that are made during the policy period, or any Extended Reporting Period, of this Coverage Part.

The Aggregate Limit, as described in Paragraph 2. above, applies separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – CONDITIONS**1. Appeals**

If the "underlying insurer" or insured elects not to appeal a judgment in excess of the "retained limit", we may do so at our own expense. We will also pay for taxable court costs, pre- and postjudgment interest and disbursements associated with such appeal. In no event will this provision increase our liability beyond the applicable Limits of Insurance described in Section III – Limits Of Insurance.

2. Bankruptcy**a. Bankruptcy Of Insured**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

b. Bankruptcy Of Underlying Insurer

Bankruptcy or insolvency of the "underlying insurer" will not relieve us of our obligations under this Coverage Part.

However, this insurance will not replace the "underlying insurance" in the event of bankruptcy or insolvency of the "underlying insurer". This insurance will apply as if the "underlying insurance" were in full effect.

3. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense, regardless of the amount, which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

- b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

- c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

4. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

5. Other Insurance

- a. This insurance is excess over, and shall not contribute with any of the other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Part.

When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

- b. When this insurance is excess over other insurance, we will pay only our share of the "ultimate net loss" that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of the insurance provided under this Coverage Part; and

- (2) The total of all deductible and self-insured amounts under all that other insurance.

6. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

7. Representations Or Fraud

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us;
- c. We have issued this policy in reliance upon your representations; and
- d. This policy is void in any case of fraud by you as it relates to this policy or any claim under this policy.

8. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

9. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

10. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

11. Loss Payable

Liability under this Coverage Part does not apply to a given claim unless and until:

- a. The insured or insured's "underlying insurer" has become obligated to pay the "retained limit"; and
- b. The obligation of the insured to pay the "ultimate net loss" in excess of the "retained limit" has been determined by a final settlement or judgment or written agreement among the insured, claimant and us.

12. Transfer Of Defense

When the underlying limits of insurance have been used up in the payment of judgments or settlements, the duty to defend will be transferred to us. We will cooperate in the transfer of control to us of any outstanding claims or "suits" seeking damages to which this insurance applies which would have been covered by the "underlying insurance" had the applicable limit not been used up.

13. Maintenance Of/Changes To Underlying Insurance

Any "underlying insurance" must be maintained in full effect without reduction of coverage or limits except for the reduction of the aggregate limit in accordance with the provisions of such "underlying insurance" that results from payment of claims, settlement or judgments to which this insurance applies.

Such exhaustion or reduction is not a failure to maintain "underlying insurance". Failure to maintain "underlying insurance" will not invalidate insurance provided under this Coverage Part, but insurance provided under this Coverage Part will apply as if the "underlying insurance" were in full effect.

If there is an increase in the scope of coverage of any "underlying insurance" during the term of this policy, our liability will be no more than it would have been if there had been no such increase.

You must notify us in writing, as soon as practicable, if any "underlying insurance" is cancelled, not renewed, replaced or otherwise terminated, or if the limits or scope of coverage of any "underlying insurance" is changed.

14. Expanded Coverage Territory

- a. If a "suit" is brought in a part of the "coverage territory" that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada, and we are prevented by law, or otherwise, from defending the insured, the insured will initiate a defense of the "suit". We will reimburse the insured, under Supplementary Payments, for any reasonable and necessary expenses incurred for the defense of a "suit" seeking damages to which this insurance applies, that we would have paid had we been able to exercise our right and duty to defend.

If the insured becomes legally obligated to pay sums because of damages to which this insurance applies in a part of the "coverage territory" that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada, and we are prevented by law, or otherwise, from paying such sums on the insured's behalf, we will reimburse the insured for such sums.

- b. All payments or reimbursements we make for damages because of judgments or settlements will be made in U.S. currency at the prevailing exchange rate at the time the insured became legally obligated to pay such sums. All payments or reimbursements we make for expenses under Supplementary Payments will be made in U.S. currency at the prevailing exchange rate at the time the expenses were incurred.
- c. Any disputes between you and us as to whether there is coverage under this policy must be filed in the courts of the United States of America (including its territories and possessions), Canada or Puerto Rico.
- d. The insured must fully maintain any coverage required by law, regulation or other governmental authority during the policy period, except for reduction of the aggregate limits due to payments of claims, judgments or settlements.

Failure to maintain such coverage required by law, regulation or other governmental authority will not invalidate this insurance. However, this insurance will apply as if the required coverage by law, regulation or other governmental authority was in full effect.

SECTION V – DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
2. "Auto" means:
 - a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".
3. "Bodily injury" means bodily injury, disability, sickness or disease sustained by a person, including death resulting from any of these at any time. "Bodily injury" includes mental anguish or other mental injury resulting from "bodily injury".
4. "Coverage territory" means anywhere in the world with the exception of any country or jurisdiction which is subject to trade or other economic sanction or embargo by the United States of America.
5. "Covered auto" means only those "autos" to which "underlying insurance" applies.
6. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
7. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work", or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:
 - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".
 - g. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraphs **f.** and **g.** do not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2) That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or

(3) That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a "covered auto" over a route or territory that person or organization is authorized to serve by public authority.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment designed primarily for:

- (a) Snow removal;
- (b) Road maintenance, but not construction or resurfacing; or
- (c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your "advertisement"; or
- g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Pollution cost or expense" means any loss, cost or expense arising out of any:

- a. Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- b. Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

17. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured; or

(2) The existence of tools, uninstalled equipment or abandoned or unused materials.

18. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

With respect to the ownership, maintenance or use of "covered autos", property damage also includes "pollution cost or expense", but only to the extent that coverage exists under the "underlying insurance" or would have existed but for the exhaustion of the underlying limits.

For the purposes of this insurance, with respect to other than the ownership, maintenance or use of "covered autos", electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

19. "Retained limit" means the available limits of "underlying insurance" scheduled in the Declarations or the "self-insured retention", whichever applies.

20. "Self-insured retention" means the dollar amount listed in the Declarations that will be paid by the insured before this insurance becomes applicable only with respect to "occurrences" or offenses not covered by the "underlying insurance". The "self-insured retention" does not apply to "occurrences" or offenses which would have been covered by "underlying insurance" but for the exhaustion of applicable limits.

21. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent or the "underlying insurer's" consent.
22. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
23. "Ultimate net loss" means the total sum, after reduction for recoveries or salvages collectible, that the insured becomes legally obligated to pay as damages by reason of settlement or judgments or any arbitration or other alternate dispute method entered into with our consent or the "underlying insurer's" consent.
24. "Underlying insurance" means any policies of insurance listed in the Declarations under the Schedule of "underlying insurance".
25. "Underlying insurer" means any insurer who provides any policy of insurance listed in the Schedule of "underlying insurance".
26. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
27. "Your product":
- a. Means:
- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
 - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- b. Includes:
- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions.
- c. Does not include vending machines or other property rented to or located for the use of others but not sold.
28. "Your work":
- a. Means:
- (1) Work or operations performed by you or on your behalf; and
 - (2) Materials, parts or equipment furnished in connection with such work or operations.
- b. Includes:
- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
 - (2) The providing of or failure to provide warnings or instructions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**NUCLEAR ENERGY LIABILITY EXCLUSION
ENDORSEMENT**
(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

I. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

(1) With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

(1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an insured or (b) has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an insured; or

(3) The "bodily injury" or "property damage" arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

II. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "Special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a) Any "nuclear reactor";
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";
- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

- A.** If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.
- "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
- 1.** The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
 - 2.** The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- B.** The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SILICA OR SILICA-RELATED DUST EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

- A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

2. Exclusions

This insurance does not apply to:

SILICA OR SILICA-RELATED DUST

- a. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
- b. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- c. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

- B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

SILICA OR SILICA-RELATED DUST

- a. "Personal and advertising injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- b. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

- C. The following definitions are added to the Definitions Section:**

1. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
2. "Silica-related dust" means a mixture or combination of silica and other dust or particles.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – UNMANNED AIRCRAFT

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

- A. Exclusion 2.j. Aircraft Or Watercraft** under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

j. Aircraft Or Watercraft

(1) Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **j.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

(2) Aircraft (Other Than Unmanned Aircraft) Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **j.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **j.(2)** does not apply to:

- (a)** A watercraft while ashore on premises you own or rent;
- (b)** A watercraft you do not own that is:
 - (i)** Less than 50 feet long; and
 - (ii)** Not being used to carry persons or property for a charge;
- (c)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (d)** The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described in this Paragraph **j.(2)** exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described in this Paragraph **j.(2)** will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance; or

(e) Aircraft that is:

(i) Chartered by, loaned to, or hired by you with a paid crew; and

(ii) Not owned by any insured.

B. The following exclusion is added to Paragraph 2. **Exclusions of Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Unmanned Aircraft

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

a. The use of another's advertising idea in your "advertisement"; or

b. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

C. The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

1. Designed;

2. Manufactured; or

3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY – WITH LIMITED BODILY INJURY EXCEPTION

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

- A. Exclusion 2.t. of Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

- t. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability**

Damages arising out of:

- (1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph (1) or (2) above.

However, unless Paragraph (1) above applies, this exclusion does not apply to damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

- B. The following is added to Paragraph 2. Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PUBLIC OR LIVERY PASSENGER CONVEYANCE AND ON-DEMAND DELIVERY SERVICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

A. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

This insurance does not apply to:

**Public Or Livery Passenger Conveyance
And On-demand Services**

Any "covered auto" while being used:

- a. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a "covered auto" is being used by an insured who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the "covered auto"; or
- b. By an insured who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the "covered auto".

B. If Excess Uninsured and/or Underinsured Motorists Coverage is attached, then the following exclusion is added to Paragraph C.2.:

2. Additionally, this insurance does not apply to:

**Public Or Livery Passenger Conveyance
And On-demand Services**

Any "covered auto" while being used:

- a. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a "covered auto" is being used by an insured who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the "covered auto"; or

- b. By an insured who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the "covered auto".

C. Additional Definitions

As used in this endorsement:

1. "Delivery network platform" means an online-enabled application or digital network used to connect customers:
 - a. With drivers; or
 - b. With local vendors using drivers; for the purpose of providing prearranged "delivery services" for compensation. A "delivery network platform" does not include a "transportation network platform".
2. "Delivery services" includes courier services.
3. "Occupying" means in, upon, getting in, on, out or off.
4. "Transportation network platform" means an online-enabled application or digital network used to connect passengers with drivers using vehicles for the purpose of providing prearranged transportation services for compensation.

POLICY NUMBER: B010120

COMMERCIAL LIABILITY UMBRELLA
CU 22 31 09 18**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****AUTO DEALERS ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

SCHEDULE

Liability Coverage For Customers	
<input type="checkbox"/>	If an "X" is entered in this box, Paragraph B.2.b.(4) of Section I – Bodily Injury And Property Damage Liability of this endorsement does not apply.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

With respect to "underlying insurance" that is an Auto Dealers Coverage Form, the provisions of the Coverage Form are modified as follows:

Section I – Bodily Injury And Property Damage Liability**A. Exclusions**

Paragraph **2. Exclusions of Coverage A – Bodily Injury And Property Damage Liability** is revised as follows:

1. Paragraph **o. Damage To Your Work** is replaced with the following:

o. Damage To Your Work

"Property damage" to "your work" if the "property damage" results from any part of the work itself or from the parts, materials or equipment used in connection with the work.

2. The following exclusion is added:

Leased Autos

Any "covered auto" while leased or rented to others. But this exclusion does not apply to a "covered auto" you rent to one of your customers while his or her "auto" is left with you for service or repair.

B. Who Is An Insured

Paragraph **2. of Section II – Who Is An Insured** is replaced by the following:

2. Only with respect to liability arising out of the ownership, maintenance or use of "covered autos":
 - a. You are an insured.

- b. Anyone else while using with your permission a "covered auto" you own, hire or borrow is also an insured except:

- (1) The owner or anyone else from whom you hire or borrow a "covered auto". This exception does not apply if the "covered auto" is a trailer or semitrailer connected to a "covered auto" you own.
- (2) Your "employee" if the "covered auto" is owned by that "employee" or a member of his or her household.
- (3) Someone using a "covered auto" while he or she is working in a business of selling, servicing or repairing "autos" unless that business is yours.
- (4) Your customers.
- (5) A partner (if you are a partnership), or a member (if you are a limited liability company) for a "covered auto" owned by him or her or a member of his or her household.
- (6) "Employees" with respect to "bodily injury" to:
 - (a) Any fellow "employee" of the insured arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
 - (b) The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph (a) above.

- c. Anyone liable for the conduct of an insured described above is also an insured, but only to the extent of that liability.
- d. Your "employee" while using a "covered auto" you do not own, hire or borrow in your business or your personal affairs.

Section II – Garagekeepers Coverage

Garagekeepers coverage is provided to the extent that valid "underlying insurance" for Garagekeepers coverage exists or would have existed but for the exhaustion of underlying limits for Garagekeepers coverage. The insurance provided under this Coverage Part will follow the same provisions, exclusions, and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance. To the extent such provisions differ or conflict, the provisions of this Coverage Part will apply. However, the coverage provided by this Coverage Part will not be broader than that provided by the applicable "underlying insurance".

Section III – Definitions

A. The following definitions are revised:

1. Paragraphs **f.** and **g.** of the "insured contract" definition are replaced by the following:
 - f.** That part of any contract or agreement entered into, as part of your "auto" dealership, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay "property damage" to any "auto" rented or leased by you or any of your "employees".
 - g.** That part of any other contract or agreement pertaining to your "auto" dealership (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
2. The "property damage" definition is replaced by the following:

"Property damage" means:

 - a.** Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

- b.** Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

With respect to the ownership, maintenance or use of "covered autos", "property damage" also includes "pollution cost or expense", but only to the extent that coverage exists under the "underlying insurance" or would have existed but for the exhaustion of the underlying limits.

3. The "your product" definition is replaced by the following:

"Your product" includes:

- a.** The goods or products made or sold in an "auto" dealership by:

(1) You; or

(2) An "auto" dealership you have acquired; and

- b.** The providing of or failure to provide warnings or instructions.

4. The "your work" definition is replaced by the following:

"Your work" includes:

- a.** Work that someone performed on your behalf; and

- b.** The providing of or failure to provide warnings or instructions.

5. The "products-completed operations hazard" definition does not apply.

B. The following definition is added:

"Auto dealer operations" means the ownership, maintenance or use of locations for an "auto" dealership and that portion of the roads or other accesses that adjoin these locations. "Auto dealer operations" also include all operations necessary or incidental to an "auto" dealership.

COMMERCIAL LIABILITY UMBRELLA
CU 24 16 09 18

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO DEALERS BROAD FORM PRODUCTS COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

With respect to "underlying insurance" that is an Auto Dealers Coverage Form, Paragraph 2. **Exclusions of Coverage A – Bodily Injury And Property Damage Liability** is revised as follows:

Exclusion n. **Damage To Your Product** does not apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION – AUTO DEALERS ACTS, ERRORS OR
OMISSIONS LIABILITY COVERAGES**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

The Commercial Liability Umbrella Coverage Form does not apply to nor extend any coverage provided under Section III – Acts, Errors Or Omissions Liability Coverage of the Auto Dealers Coverage Form CA 00 25.

FILED DATE: 10/25/2024 4:42 PM 2024CH09759

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ASBESTOS OR ASBESTOS PRODUCTS

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

This insurance does not apply to:

“Bodily injury” or “property damage” arising out of the removal, manufacture, distribution, sale, installation, handling or disposal of asbestos or any product containing asbestos material.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**CONTRACTUAL LIABILITY
FOLLOWING FORM ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

Except to the extent coverage is available to you or the insured in the "underlying insurance," this insurance does not apply to any liability assumed under any written or oral contract or agreement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**YEAR 2000 COMPUTER-RELATED
AND OTHER ELECTRONIC PROBLEMS
FOLLOWING FORM ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

Except to the extent coverage is available to you or the insured in the "underlying insurance," this insurance does not apply to "bodily injury," "property damage" or "personal and advertising injury" arising directly or indirectly out of:

1. Any actual or alleged failure, malfunction or inadequacy of:

a. Any of the following, whether belonging to any insured or to others:

- (1)** Computer hardware, including microprocessors;
- (2)** Computer application software;
- (3)** Computer operating systems and related software;
- (4)** Computer networks;

(5) Microprocessors (computer chips) not part of any computer system; or

(6) Any other computerized or electronic equipment or components; or

b. Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **1.a.** of this endorsement

due to the inability to correctly recognize, process, distinguish, interpret or accept the year 2000 and beyond.

2. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **1.** of this endorsement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WHO IS AN INSURED LIMITATION

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

- A.** If Endorsement **CU 21 71, CU 21 72, CU 21 74, CU 21 81, CU 24 50** or **CU 24 51** is attached to the Policy, the following exclusion is added to Paragraph **2. Exclusions** under **Section I – Coverage A – Bodily Injury And Property Damage Liability**:

This insurance does not apply to:

Employees And Volunteer Workers

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft operated by any "employee" or "volunteer worker" in the course of his or her employment by the insured or while performing duties related to the conduct of the insured's business. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft that is operated by any "employee" or "volunteer worker".

This exclusion does not apply to:

- 1.** A watercraft while ashore on premises you own or rent;
- 2.** A watercraft you do not own that is:
 - a.** Less than 50 feet long; and
 - b.** Not being used to carry persons or property for a charge;
- 3.** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;

- 4.** The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance; or

- 5.** Aircraft that is:

- a.** Chartered by, loaned to, or hired by you with a paid crew; and
- b.** Not owned by any insured.

- B.** If Paragraph **A.** does not apply, Exclusion **2.j. Aircraft Or Watercraft** under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

This insurance does not apply to:

j. Aircraft Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft or watercraft:

- (1)** Owned or operated by or rented or loaned to any insured; or
- (2)** Operated by any "employee" or "volunteer worker" in the course of his or her employment by the insured or while performing duties related to the conduct of the insured's business.

Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft or watercraft that is owned or operated by or rented or loaned to any insured or operated by any "employee" or "volunteer worker". This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 50 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;

- (4) The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance; or

- (5) Aircraft that is:

- (a) Chartered by, loaned to, or hired by you with a paid crew; and
- (b) Not owned by any insured.

C. Paragraph 1.b. of Section II – Who Is An Insured does not apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

- A. The **Cancellation** Common Policy Condition is replaced by the following:**

Cancellation

1. The first Named Insured shown in the Declarations may cancel this Policy by mailing to us advance written notice of cancellation.
2. We may cancel this Policy by mailing to you written notice stating the reason for cancellation. If we cancel:
 - a. For nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.
 - b. For a reason other than nonpayment of premium, we will mail the notice at least:
 - (1) 30 days prior to the effective date of cancellation if the Policy has been in effect for 60 days or less.
 - (2) 60 days prior to the effective date of cancellation if the Policy has been in effect for more than 60 days.
3. If this Policy has been in effect for more than 60 days or is a renewal or continuation policy, we may cancel only for one or more of the following reasons:
 - a. Nonpayment of premium;
 - b. The Policy was obtained through a material misrepresentation;
 - c. Any insured has violated any of the terms and conditions of the Policy;
 - d. The risk originally accepted has measurably increased;
 - e. Certification to the Director of Insurance of the loss of reinsurance by the insurer that provided coverage to us for all or a substantial part of the underlying risk insured; or

- f. A determination by the Director of Insurance that the continuation of the Policy could place us in violation of the insurance laws of this State.

4. We will mail our notice to you, at your last mailing address known to us. Proof of mailing will be sufficient proof of notice.
5. Notification of cancellation will also be sent to your broker, if known, or agent of record, if known.
6. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
7. If this Policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be less than pro rata. The cancellation will be effective even if we have not offered a refund.

- B. Condition 10. When We Do Not Renew is replaced by the following:**

10. When We Do Not Renew

- a. If we decide not to renew or continue this Policy, we will mail you written notice, stating the reason for nonrenewal, at least:
 - (1) 60 days before the end of the policy period for all policies other than that described in a.(2); or
 - (2) 30 days before the end of the policy period for all commercial excess and umbrella liability policies as defined in 215 ILL. COMP. STAT. 143.13.(h). The nonrenewal shall not become effective until at least 30 days from the proof of mailing date of the notice to you.

- b. Proof of mailing will be sufficient proof of notice.
- c. Notification of nonrenewal will also be sent to your broker, if known, or agent of record, if known.
- d. If we offer to renew or continue and you do not accept, this Policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.
- e. If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this Policy will end on the effective date of that insurance.

- (2) whose aggregate annual premiums for all property and casualty insurance on all risks is at least \$50,000.

For the purposes of Paragraph **a.(2)**, commercial excess and umbrella liability policies are defined in 215 ILL. COMP. STAT. 143.13.(h) as follows:

- (h) "Commercial excess and umbrella liability policy" means a policy written over one or more underlying policies for an insured:
 - (1) that has at least 25 full-time employees at the time the commercial excess and umbrella liability policy is written and procures the insurance of any risk or risks, other than life, accident and health, and annuity contracts, as described in clauses (a) and (b) of Class 1 of Section 4 and clause (a) of Class 2 of Section 4, by use of the services of a full-time employee acting as an insurance manager or buyer; or

COMMERCIAL LIABILITY UMBRELLA
CU 22 55 09 00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – POLLUTION EXCLUSION – HOSTILE FIRE EXCEPTION

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

The following is added to Exclusion i. under Paragraph 2., **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

Paragraph (1) of this exclusion does not apply to "bodily injury" or "property damage" arising out of heat, smoke or fumes from a hostile fire unless that hostile fire occurred or originated:

- (a) At any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste; or

- (b) At any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of, "pollutants".

Hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.

EXHIBIT B

This document has been electronically signed and/or sealed in accordance with the applicable State Board of Professional Engineering requirements.

Sigler's Automotive and Body Shop Inc.
Roof Evaluation: Hail
7445 Channel Road
Skokie, IL 60076
Client File: AR02107
Haag File: 05230630IL-1670

West Bend Mutual Insurance
1900 South 18th Avenue
West Bend, WI 53095

Attention: Mark Hancock

March 13, 2024



A handwritten signature in black ink, appearing to read "D.F. EY", written over a light blue grid background.





1410 Lakeside Pkwy, #100 800.527.0168
Flower Mound, TX 75028 214.614.6500
HaagEngineering.com 214.614.6501 fax

March 13, 2024

West Bend Mutual Insurance
1900 South 18th Avenue
West Bend, WI 53095

Attention: Mark Hancock

Re: Sigler's Automotive and Body Shop Inc.
Roof Evaluation: Hail
7445 Channel Road
Skokie, IL 60076
Client File: AR02107
Haag File: 05230630IL-1670

Complying with your request, we inspected the Sigler's Automotive and Body Shop Inc. (Sigler's) property to determine the extent of hail-caused damage to the multiple roofs from a storm event on or about April 4, 2023. Our inspection was conducted on January 31, 2024.

This engineering report has been written for your sole use and purpose, and only you have the authority to distribute this report to any other person, firm, or corporation. Haag Engineering Co. and its agents and employees do not have and do disclaim any contractual relationship with, or duty or obligation to, any party other than the addressee of this report and the principals for whom the addressee is acting. Only the engineer who signed this document has the authority to change its contents and then only in writing to you. This report addresses the results of work completed to date. Should additional information become available, we reserve the right to amend, as warranted, any of our conclusions.

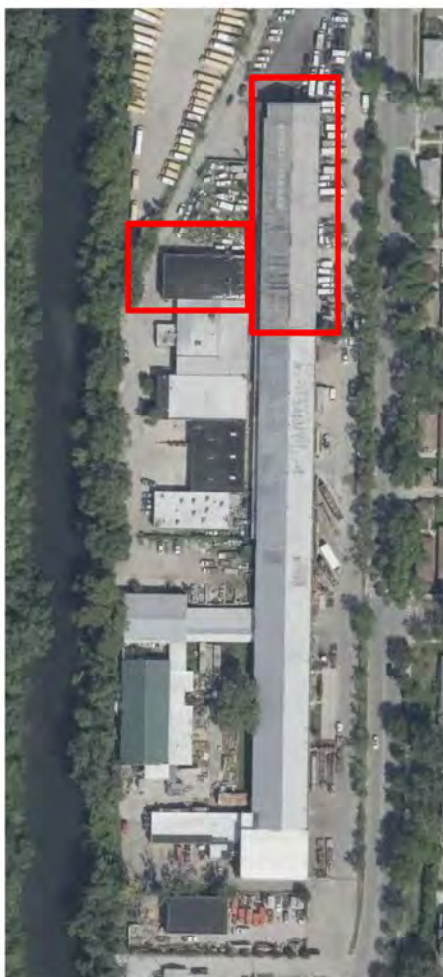
Description

The Sigler's property included several commercial buildings within a larger commercial complex in Skokie, Illinois (Cook County), as shown in Figure 1 below. The front of the largest building was the north elevation. For the purposes of this report, we will refer to the roof areas as shown in Figure 2.

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Sigler's Automotive and Body Shop Inc.
Skokie, IL 60076

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Figure 1 ConnectExplorer Image of the Commercial Complex including the Sigler's Buildings



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Figure 2 ConnectExplorer Image of the Sigler's Buildings



The separate roofs were covered with different roofing systems. The upper steel roof had a corrugated steel panel structural roofing system. The steel panels were secured with exposed fasteners. The steel panels had been previously coated over the entire surface. The oldest available aerial image from ConnectExplorer showed the fading coating on the roof in 2006. Two sections of roof were covered with granule-covered modified bitumen roll roofing. These roofs covered an office area in addition to a shop attached to the west side of the large structure. South of the modified bitumen roofs there was a mansard roof section on the west side of the large structure. This roof section was covered with laminated asphalt composition shingles. The detached paint building had a bow-string truss barrel roof covered with multiple layers of roofing. The top layer was a two-ply built up roof (BUR) system.

Background

We were met at the building by Marty with RS Five. He expressed concerns about hail-caused damage to the various roofs from a storm event on April 4, 2023. He reported that the modified

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bitumen roof section and the gutters along that roof edge were installed in 2022. He did not offer any information regarding the age of the other roof sections. We spoke briefly with the owner of Sigler's who stated that he had owned the business, including the buildings, for 30 years and has operated out of the property for 40 years.

Weather Information

The National Centers for Environmental Information (NCEI) collects information from the National Weather Service (NWS) and publishes descriptions of weather events in their Storm Events Database. This database is available online at <http://www.ncdc.noaa.gov/stormevents>, and it is searchable over a specified date range. The NCEI Storm Events descriptions are an edited combination of official weather observations at the NWS recording sites; eyewitness reports by individuals, storm spotters, or emergency management officials; media and social media reports; and occasionally, the reports of observation teams dispatched by the NWS. However, they are not a substitute for site-specific observations. The reports are provided with GPS coordinates, but it should be noted that sometimes the reports are assigned a latitude/longitude coordinate that references a certain municipal landmark, such as a city center, and not the actual location at which the observation was made. The current NWS "severe" criterion for entry in the database for hailstones is 1.0-inch diameter or larger (although sometimes hail sizes as small as 0.75-inch diameter are listed).

We searched the Storm Events Database for hail events within three miles of the property from January 1, 2010, through November 30, 2023 (the current extent of the database). The database included a total of 21 reports from eight separate dates. The closest report listed hailstones measuring up to 1.0 inch in diameter on April 4, 2023, approximately 0.8 miles northeast of the Sigler's building. (Refer to Attachment A – Storm Events Database.) Table 1 shows seven reports of hailfall within three miles of the Sigler's property on April 4, 2023.

Table 1 NCEI Hail Reports within three miles of the property on April 4, 2023.

Date	Hail Size (inches)	Distance from the Property (miles)	Direction from the Property
April 4, 2023	1.0	0.8	Northeast
April 4, 2023	1.0	1.1	East-Southeast
April 4, 2023	1.0	1.4	Northwest
April 4, 2023	1.5	1.6	North-Northeast
April 4, 2023	1.25	1.9	South
April 4, 2023	1.25	2.1	East-Southeast
April 4, 2023	1.0	2.2	Northeast

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Inspection

The buildings were inspected with the primary focus on evidence of hailfall and hail impact effects. Representative photographs from the property are appended to the report; all photographs taken will be retained in our file.

Overall, the metal panel roof section was in fair condition related to weathering; however, there were indications of previous repairs. The coating which had been applied many years prior to our inspection had faded and fallen away over the years. More coating was found to be in the lower troughs of the corrugated panels, and the raised areas had less coating, and, in some areas, the steel was visible and exhibited corrosion. We noted prior repairs including metal patches and additional sealant applied in various locations.

We examined various surfaces and appurtenances for indications of recent hail impact. We found no hail impact spatter marks on any surfaces around the property including on the oxidized siding and aluminum trim (removal of surface grime, oxidation, organic growths, etc.).

The steel roof panels were examined for hail impact effects. We found no hail-caused dents on the steel panel roof of the Sigler's building.

We examined the modified bitumen roofing on the west side of the building. The same modified bitumen membrane was used for flashing, extending up the walls and terminating behind the vinyl siding. The membrane was in new condition, consistent with being installed in the past couple of years as reported. We noted some unbonded seams throughout the roofs. The flashing membrane was wavy and not well adhered to the wall.

A test area was closely examined on the modified bitumen area for hail-caused bruises (fractures or ruptures) or punctures. The test area measured 100 square feet. No hail-caused bruises or punctures were found in the test square area or elsewhere on the modified bitumen roofing. We noted areas of localized granule loss within our test area and outside of our test area but found no bruising at these locations.

The mansard roof section of the building faced the west and was covered with laminated asphalt shingles. We examined the shingles on the mansard roof again looking for hail-caused bruises (fractures or ruptures) or punctures. We found no hail-caused bruises or punctures anywhere on the mansard roof section.

The barrel roof of the paint building was covered with multiple layers of roofing. The top layer of roofing was noted to be a two-ply built up roof system. The general condition of the built-up roof was found to be in poor condition. We noted alligator cracking in the flood coating, tears in the membranes, and fading of the asphalt with exposed ply sheet material. We also noted detached membrane around the perimeter of the roof at the parapets. At the time of our inspection, work was being performed on the building including openings being cut through the depth of the roof system.



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Skokie, IL 60076

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A test area was closely examined on the built-up roof for hail-caused bruises or punctures. No hail-caused bruises or punctures were found in the test area or elsewhere on the built-up roof including along the lesser supported areas at the roof to parapet transitions. There was no hail-caused bruising on the paint building roof.

Discussion

Evaluating hailstone impact damage is a comparative analysis that incorporates a wide array of observations coupled with knowledge about the impact characteristics of hail and different materials. Hailstones impacting roofing membranes, in this case a granule-surfaced modified bituminous (mod bit) membrane, can cause damage if hailstones are large enough and have sufficient densities and impact energy to bruise (fracture or rupture the reinforcement mat) or puncture the shingles they strike. If a membrane is bruised or punctured by hailstone impact, we consider that membrane to be hail damaged. Two important parameters that influence whether hail will cause damage are the size and hardness of the hailstone. Hailstone size is a principal influence on the mass of the stone and the speed with which the hailstone strikes the roof, and therefore, the energy with which it impacts the roof. Hailstones striking perpendicular to the roof surface impact the surface the hardest, and therefore, impact damage is usually most severe on slopes facing the windward direction of the storm.

Thin-gauge metal appurtenances are easily dented compared to the force necessary to bruise a modified bitumen roof membrane. Additionally, hailstones will scuff oxidized and dirty surfaces creating spatter marks that can be observed long after the storm, and large hail will also indent these surfaces. Frequently, metal surfaces, spatter marks, and other surfaces can be used to evaluate the possible size of hailstones because they leave lasting indications from some of the smallest hailstones. Wall surfaces, screens, wood fencing, and window features are impacted at a steep angle, but these surfaces on the windward sides of the building can also provide insight into the sizes of hailstones. For these reasons, we examine multiple surfaces and compare them.

In 1963, Haag Engineering Co. (Haag) began conducting hail impact tests and research studies on the long-term weathering effects on impacted roof coverings. Haag developed the test area (test square) method for hail damage quantification decades ago, and this peer-reviewed methodology has become widely used for damage assessment throughout the industry. Haag has continued to perform research and testing on roofing over the years, and since 2019, this work has been under the oversight of Haag Research & Testing Company. Our research led to development of a protocol for roof inspection and hail damage evaluation accepted across the United States, and this Haag Engineering protocol has been peer-reviewed and published at the North American Conference on Roofing Technology.

While examining this roof for hail-caused damage, we utilized the protocol developed by Haag Engineering Co. This protocol, which has been peer-reviewed and published at the North American Conference on Roofing Technology, involves quantifying the extent of hail damage by use of test square areas. Impact testing and field experience has shown that the threshold size for



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damage to laminated asphalt composition shingles is 1-1/4 inch, granule-covered modified bitumen roofing is 1-1/2 inch, and built up roofing is 1-1/2 inch.

We found no hail-caused spatter at the Sigler's property that would indicate recent hailfall. Recent verified hailfall records, however, listed several reports of hailfall all around the Sigler's property on April 4, 2023. Hail-caused damage to a coated metal panel roof has occurred if one or more of the following conditions are found: a hail-caused puncture or tear within the panel; disengagement of lap elements; or interruption of the surface coating. Our inspection of the involved metal roofing panels revealed no shallow indentations from hail impact. There were no seams or lap elements that had been opened or disengaged by any hail impact. Based on the conditions and historical images of the building, the metal panel roof has been in place for over 50 years. Numerous hail events have occurred in the area; however, we found no hail-caused dents to the metal panel roof of the Sigler's building.

Hail damage to modified bitumen membrane is characterized by fracture or puncture of the membrane at the point of impact. Roofing areas which are less well-supported such as flashings are typically more susceptible to damage than well-supported areas in the roofing field. In the case of the modified bitumen roofing portion of the Sigler's property, we found no hail-caused damage to well-supported field membrane areas or the less well-supported areas at the walls.

There were localized areas of missing granules in the modified bitumen roofing, a condition that is frequently attributed to hailstone impact; however, the shingles were not bruised at any of the areas of missing granules. While some granules can be displaced by hailstone impact, hailstones generally will not remove a discrete area of granules without also fracturing the membrane reinforcement. These localized areas of granule loss are often attributed to hailstone impact damage because of their shape, but they can be discerned from hail damage after consideration of other physical evidence.

Similarly, we found no hail-caused bruises or punctures on the built-up roof of the paint building. This roof was in poor condition overall; however, we noted no hail-caused damage within our test area, along the lesser supported parapets, or anywhere on the roof. The paint building roof was not damaged by hailstone impact.

Conclusions

Based on our inspection and analysis of the building roof at the involved property, we have reached the following conclusions:

1. The metal roofing panels of the upper Sigler's roof were not dented by hailstone impact.
2. The modified bitumen roofing section of the building was not damaged by hailstone impact. We noted areas of localized granule loss that were not bruised and were not consistent with hailstone impact.



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3. The built-up roof of the paint building was well weathered and in poor condition. We found no hail-caused bruises or punctures in the built-up roof of the paint building.

Respectfully submitted,

HAAG ENGINEERING CO.



A handwritten signature in black ink, appearing to read "D. F. Ey", written over a light blue horizontal line.

Mar 13, 2024

Haag Engineering Co.
C of A: 184.003011
Expires: 4/30/2025

David F. Ey, P.E.
Illinois License 062-063854
Expires: 11/30/2025

DFE:ah



Attachments



Attachment A

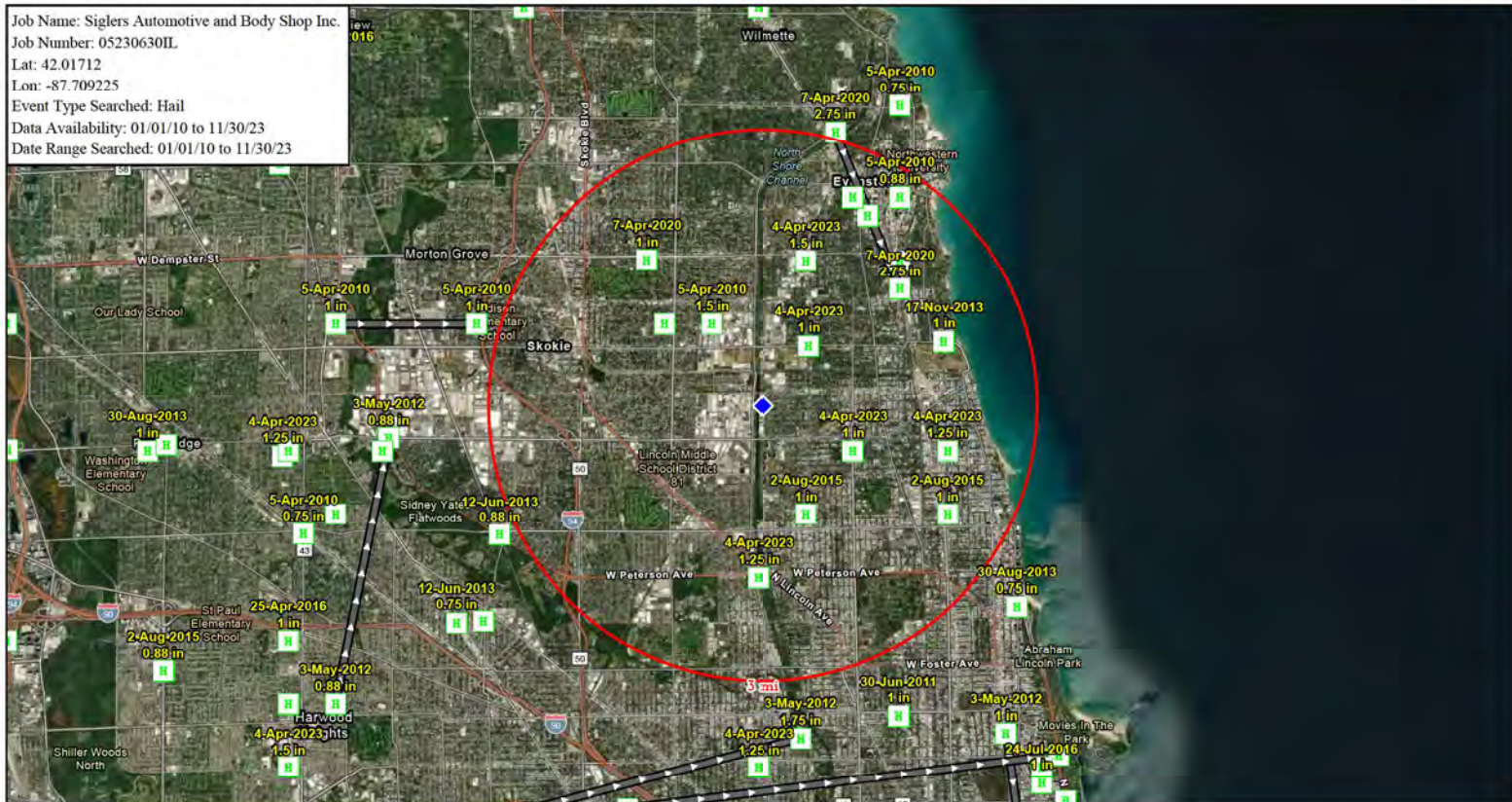


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Haag Weather Review of NOAA Storm Data

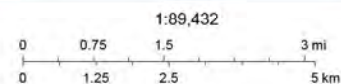


Job Name: Siglers Automotive and Body Shop Inc.
 Job Number: 05230630IL
 Lat: 42.01712
 Lon: -87.709225
 Event Type Searched: Hail
 Data Availability: 01/01/10 to 11/30/23
 Date Range Searched: 01/01/10 to 11/30/23



Storm Events Database

- Hail
- Event Paths



Earthstar Geographics, City of Chicago, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, MET/NASA, USGS, EPA, NPS, USDA, USFWS

Created by: Haag Global Geoportal on 03/07/2024

Storm Events Database Point Distances from Project Location within Selected Buffer

Point distances are calculated based on data retrieved from the NOAA Storm Events Database. Please note that some events have a begin location that differs from the end location of the same event. Different begin and end locations are represented by two points on the map and will have different distances from the point of interest.

Event ID	Type	Date	Mag	Beg Dist	End Dist	Narrative
1085335	Hail	2023-04-04	1 in	0.8 mi NE	0.8 mi NE	Quarter size hail was reported near Oakton Street and Dodge Avenue.
224250	Hail	2010-04-05	1.5 in	1 mi NNW	1 mi NNW	NA
1085338	Hail	2023-04-04	1 in	1.1 mi ESE	1.1 mi ESE	Quarter size hail was reported in West Ridge.
599339	Hail	2015-08-02	1 in	1.3 mi SSE	1.3 mi SSE	NA
1085350	Hail	2023-04-04	1 in	1.4 mi NW	1.4 mi NW	NA
1085353	Hail	2023-04-04	1.5 in	1.6 mi NNE	1.6 mi NNE	Ping pong ball size hail dented roofs and cars.
1085330	Hail	2023-04-04	1.25 in	1.9 mi S	1.9 mi S	Most of the hail was nickel size with the largest hail roughly half dollar size.
883814	Hail	2020-04-07	1 in	2 mi NW	2 mi NW	NA
483979	Hail	2013-11-17	1 in	2.1 mi ENE	2.1 mi ENE	Quarter size hail was reported near Sheridan Road and South Boulevard.
1085352	Hail	2023-04-04	1.25 in	2.1 mi ESE	2.1 mi ESE	NA
1085356	Hail	2023-04-04	1 in	2.2 mi NE	2.2 mi NE	NA
599340	Hail	2015-08-02	1 in	2.3 mi ESE	2.3 mi ESE	NA
339822	Hail	2011-08-13	0.75 in	2.4 mi NNE	2.4 mi NNE	Penny size hail fell at Davis Street and Oak Avenue.
599341	Hail	2015-08-02	1 in	2.5 mi NNE	2.5 mi NNE	NA
482238	Hail	2013-11-17	1 in	2.5 mi NNE	2.5 mi NNE	NA
599343	Hail	2015-08-02	1 in	2.5 mi NNE	2.5 mi NNE	NA
224252	Hail	2010-04-05	1 in	2.7 mi NE	2.7 mi NE	NA
722430	Hail	2017-02-24	1 in	2.7 mi NE	2.7 mi NE	NA
224243	Hail	2010-04-05	0.88 in	2.7 mi NE	2.7 mi NE	NA
370220	Hail	2012-05-03	1.25 in	2.7 mi NE	2.7 mi NE	NA
883816	Hail	2020-04-07	2.75 in	3.1 mi NNE	2 mi NE	Multiple reports of golf ball to baseball size hail were received from Evanston.

NOAA Storm Events Database

Report created on 2024-03-07

Data retrieved from: <https://www.ncdc.noaa.gov/stormevents/>

Data from the NOAA Storm Events Database is updated within 75 - 90 days after the end of a data month. Data for this report is available from 01/2010 to 11/2023.

Search results for: Cook, IL

Details

21 event(s) were reported within the selected buffer(s) between 2010-01-01 and 2023-11-30

Date of first reported event: 2010-04-05

Date of last reported event: 2023-04-04

Event Type(s): Hail

Number of County/Zone areas affected: 1

Number of days with Event: 8

Number of Event Types reported: 1

Location	County/Zone	State	Date	Time LST	Event Type	Mag	Beg Lat	Beg Lon	End Lat	End Lon
SKOKIE	COOK	IL	2010-04-05	2155	Hail	1.5 in	42.03	-87.72	42.03	-87.72
EVANSTON	COOK	IL	2010-04-05	2157	Hail	1 in	42.05	-87.68	42.05	-87.68
EVANSTON	COOK	IL	2010-04-05	2150	Hail	0.88 in	42.05	-87.68	42.05	-87.68
EVANSTON	COOK	IL	2011-08-13	1248	Hail	0.75 in	42.047	-87.687	42.047	-87.687
EVANSTON	COOK	IL	2012-05-03	1752	Hail	1.25 in	42.05	-87.68	42.05	-87.68
EVANSTON	COOK	IL	2013-11-17	1235	Hail	1 in	42.05	-87.69	42.05	-87.69
EVANSTON	COOK	IL	2013-11-17	1336	Hail	1 in	42.027	-87.671	42.027	-87.671
LINCOLNWOOD	COOK	IL	2015-08-02	1345	Hail	1 in	42	-87.7	42	-87.7
EVANSTON	COOK	IL	2015-08-02	1353	Hail	1 in	42.05	-87.69	42.05	-87.69
EVANSTON	COOK	IL	2015-08-02	1356	Hail	1 in	42.05	-87.69	42.05	-87.69
AVONDALE	COOK	IL	2015-08-02	1350	Hail	1 in	42	-87.67	42	-87.67
EVANSTON	COOK	IL	2017-02-24	120	Hail	1 in	42.05	-87.68	42.05	-87.68
SKOKIE	COOK	IL	2020-04-07	1928	Hail	1 in	42.04	-87.734	42.04	-87.734
EVANSTON	COOK	IL	2020-04-07	1932	Hail	2.75 in	42.06	-87.694	42.036	-87.68
ROGERS PARK	COOK	IL	2023-04-04	1305	Hail	1 in	42.027	-87.699	42.027	-87.699
ROGERS PARK	COOK	IL	2023-04-04	1306	Hail	1 in	42.01	-87.69	42.01	-87.69
SKOKIE	COOK	IL	2023-04-04	1307	Hail	1 in	42.03	-87.73	42.03	-87.73
EVANSTON	COOK	IL	2023-04-04	1307	Hail	1.5 in	42.04	-87.7	42.04	-87.7
LINCOLNWOOD	COOK	IL	2023-04-04	1303	Hail	1.25 in	41.99	-87.71	41.99	-87.71
EVANSTON	COOK	IL	2023-04-04	1310	Hail	1 in	42.04	-87.68	42.04	-87.68
ROGERS PARK	COOK	IL	2023-04-04	1306	Hail	1.25 in	42.01	-87.67	42.01	-87.67

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Photographs



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1. Front (north elevation) of the Siglers Automotive and Body Shop Building.



2. North elevation.

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3. North elevation.



4. North elevation.

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5. Building interior.



6. Building interior.

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7. View of the roof trusses.



8. Building interior.

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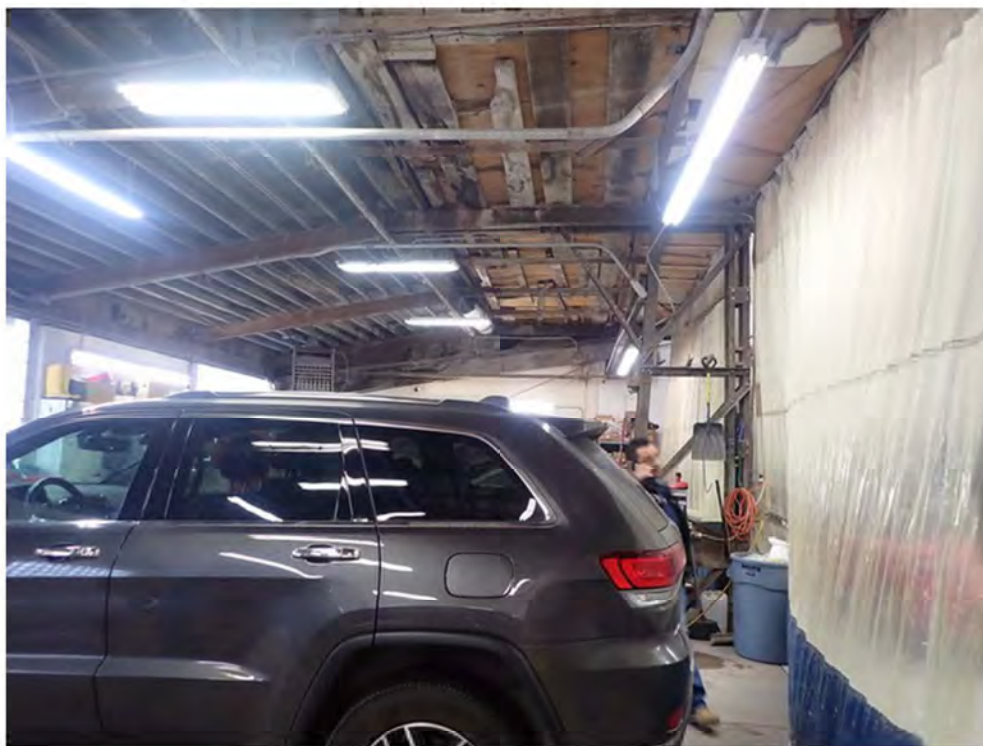


9. Building interior.

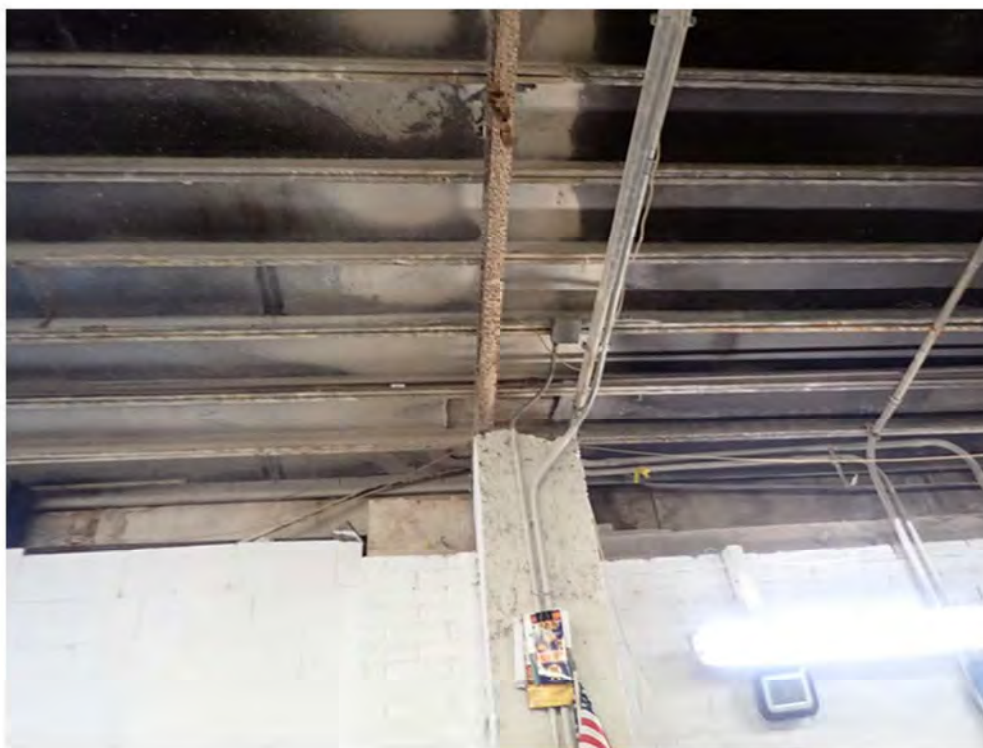


10. Building interior.

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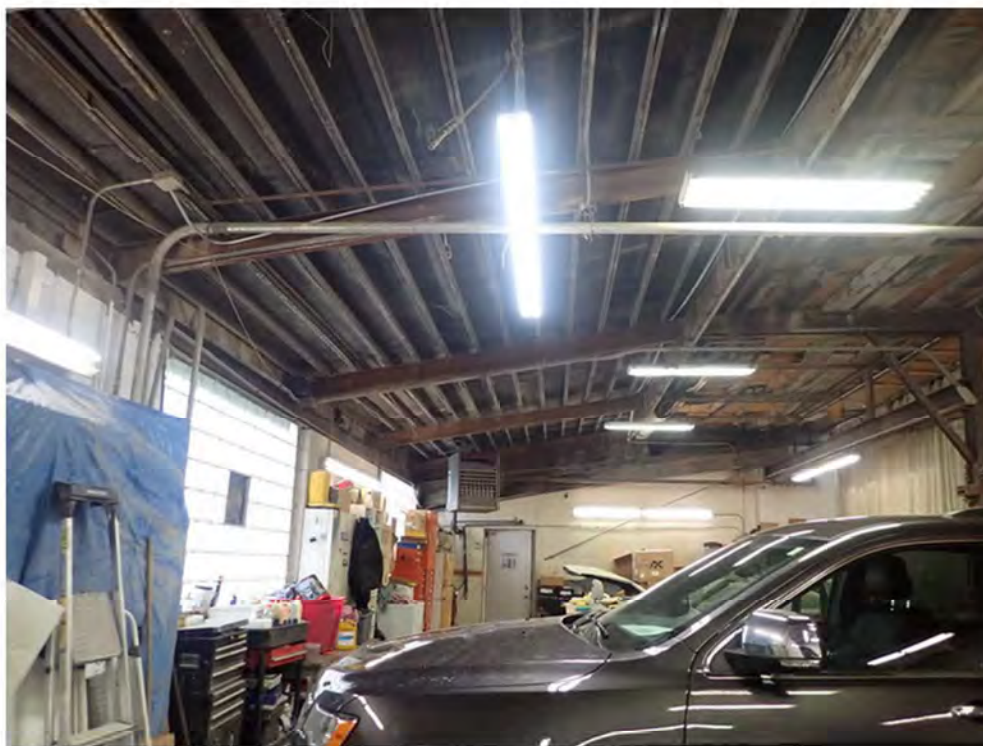


11. Interior along the east side of the building below the mod bit roof slopes.

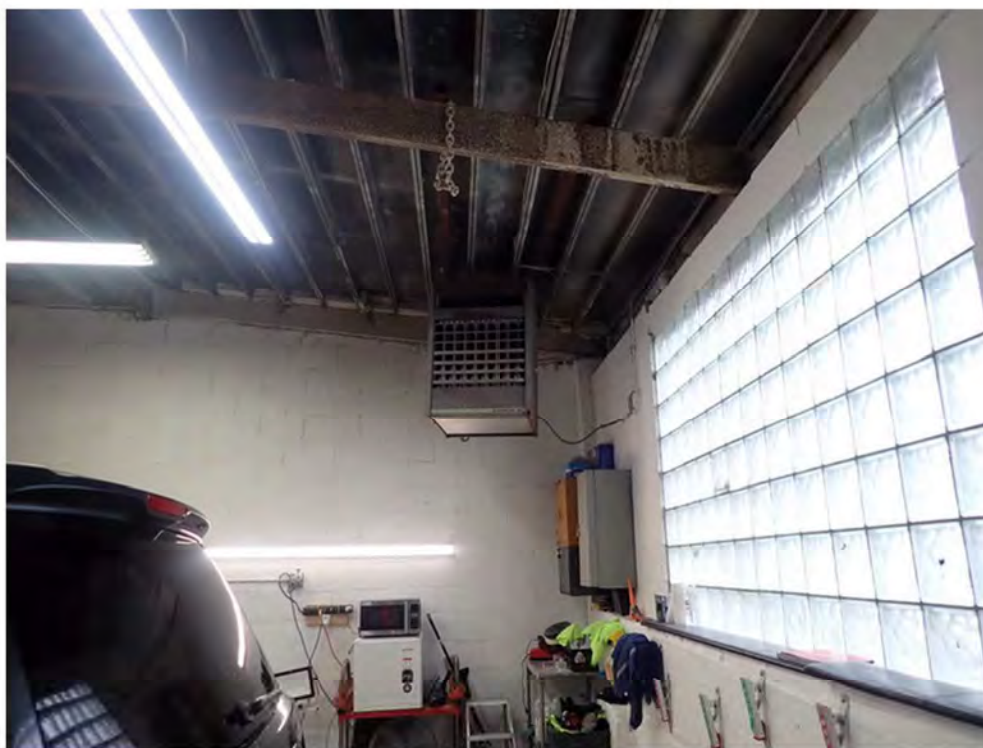


12. Interior along the east side of the building below the mod bit roof slopes.

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13. Interior along the east side of the building below the mod bit roof slopes.



14. Interior along the east side of the building below the mod bit roof slopes.

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15. Office interior with moisture stained ceiling tiles.



16. Office interior with moisture stained ceiling tiles.

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17. Office interior with moisture stained ceiling tiles.



18. Office interior with moisture stained ceiling tiles.

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19. Office area on the east side of the building.



20. East elevation.

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21. East elevation.



22. Downspout dents.

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23. Wood siding.



24. Wood siding.

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25. East elevation.



26. Aluminum siding.

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27. Siding dents along the east facing wall.



28. Siding dents along the east facing wall.

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29. Aluminum window trim dents.



30. Aluminum window trim dents.

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31. Aluminum window trim dents.



32. Newer gutters.

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33. Newer gutters.



34. Newly installed edging.

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35. Lower, modified bitumen roof.



36. Modified bitumen roof.

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37. Modified bitumen roof.



38. Wrinkled modified along the wall below the siding.

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39. Loose seam.



40. Localized granule loss.

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41. Localized granule loss.



42. Localized granule loss.

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43. Localized granule loss.



44. Localized granule loss.

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45. Localized granule loss.



46. Localized granule loss.

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47. Localized granule loss.



48. Wall to roof transition.

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49. Detached seam along the roof to wall transition.



50. Detached seam.

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51. Pipe penetration.



52. Transition between roof sections.

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53. Dented flue cap.

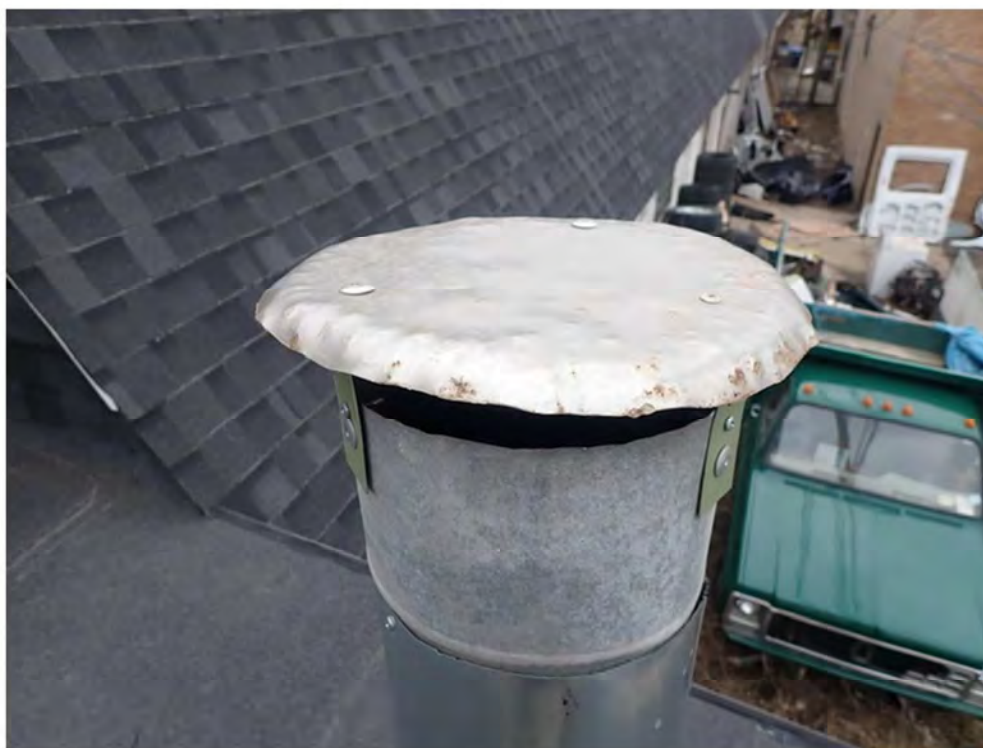


54. Upper modified bitumen roof.

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55. Flue stack.



56. Dented flue cap.

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57. Mansard roof section.



58. Mansard wall.

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59. Mansard wall.



60. Mansard wall.

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61. Shingle condition.



62. Shingle condition.

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63. Typical laminated shingle length.



64. Typical exposure.

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65. Mansard roof.



66. Mansard roof.

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67. Gutter dent.



68. Gutter dent.

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69. Upper east slope.



70. Upper east slope.

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71. Upper east slope.



72. East slope.

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73. East slopes.



74. East slopes.

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75. East slope.

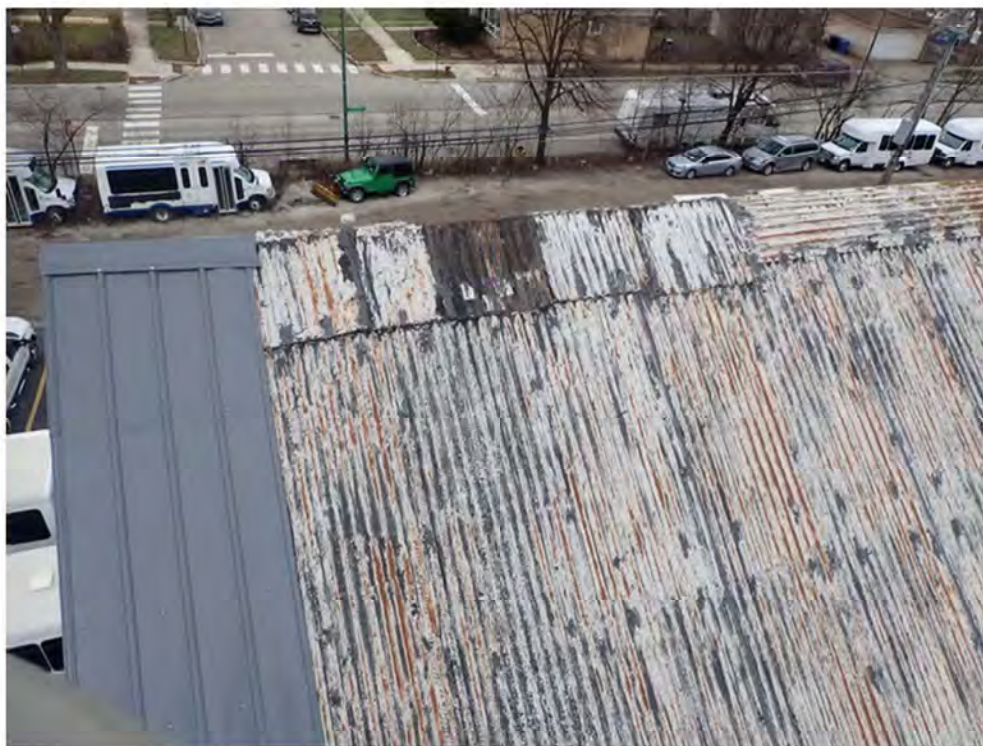


76. East slope.

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77. Upper east slope.



78. Upper east slope.

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79. Upper east slope.



80. Upper east slope.

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81. Typical roof condition.



82. Typical roof condition.

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83. Typical fastener.



84. Typical fastener.

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85. Roof condition.



86. Roof condition.

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87. Roof condition.



88. Lap seam.

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89. Lap seam.



90. East slope.

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91. East roof edge.

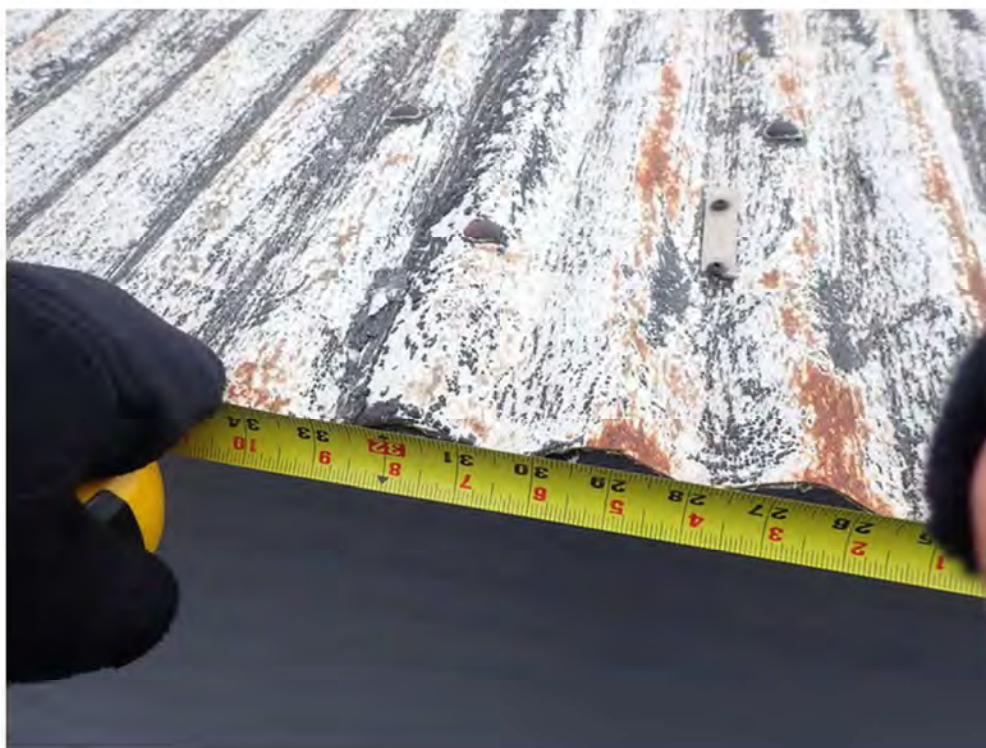


92. East roof edge.

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93. Metal panel profile.



94. Metal panel profile.

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95. Metal panel profile.



96. Metal panel profile.

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97. West upper walls.



98. West upper walls.

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99. West upper walls.

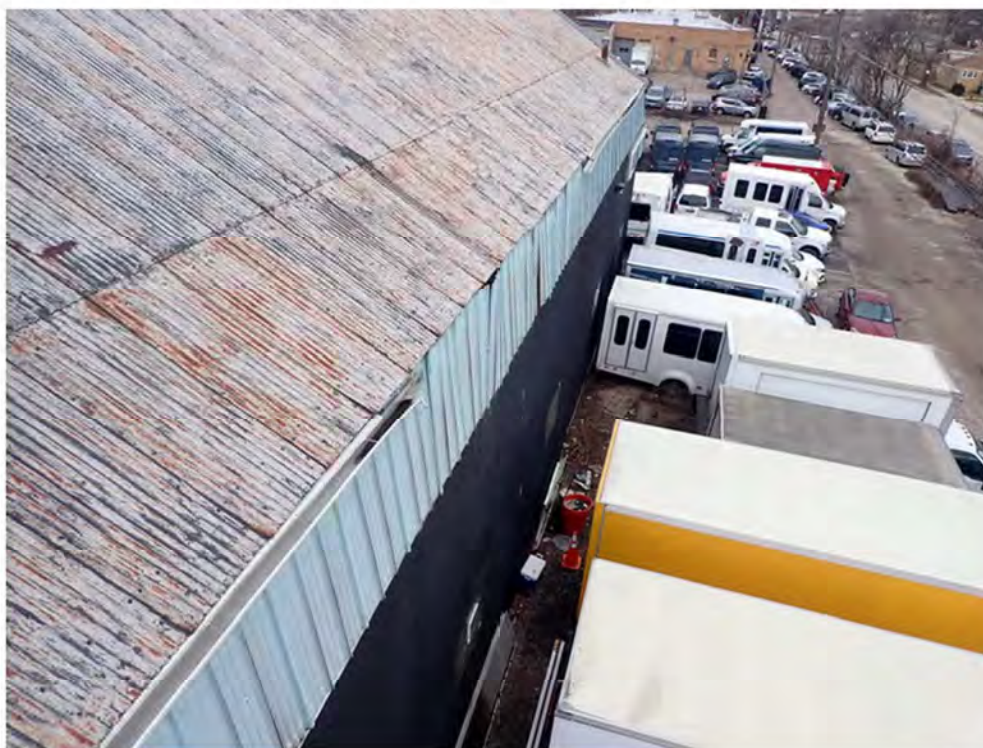


100. West gutter.

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101. West gutter.



102. Detached gutter section.

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103. Detached gutter section.



104. Upper west slope.

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105. Upper west slope.



106. Upper west slope.

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107. Upper west slope.



108. Flue cap.

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109. Flue cap.



110. Flue cap.

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111. Ladder left on the roof.



112. Ladder left on the roof.

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113. West slope.

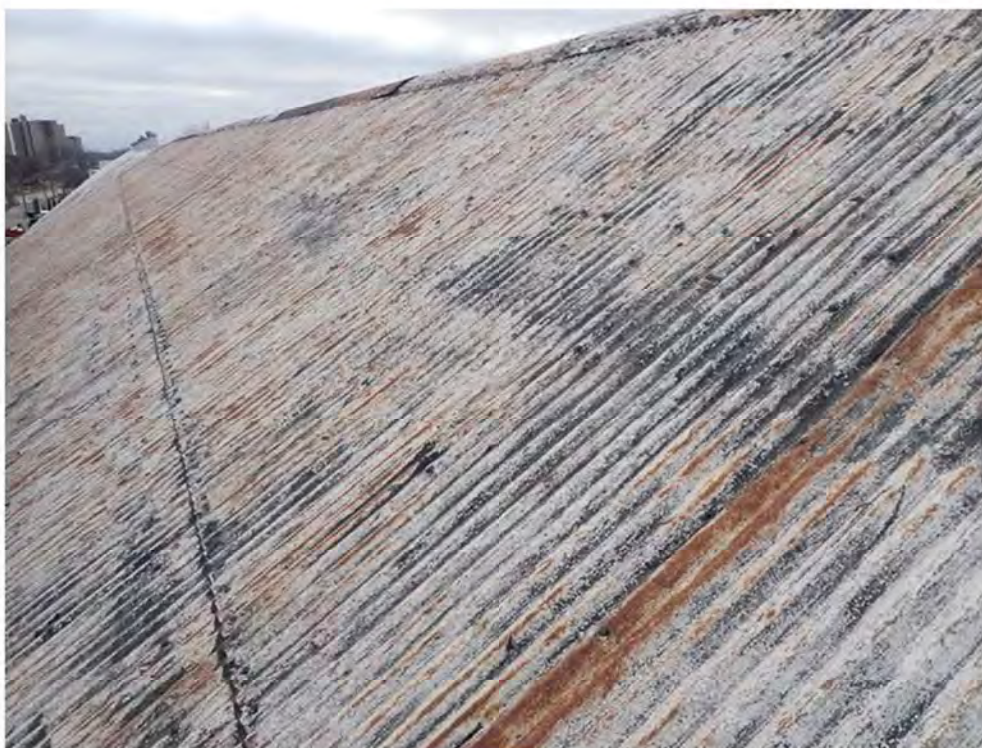


114. West slope.

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115. West slope.



116. West slope.

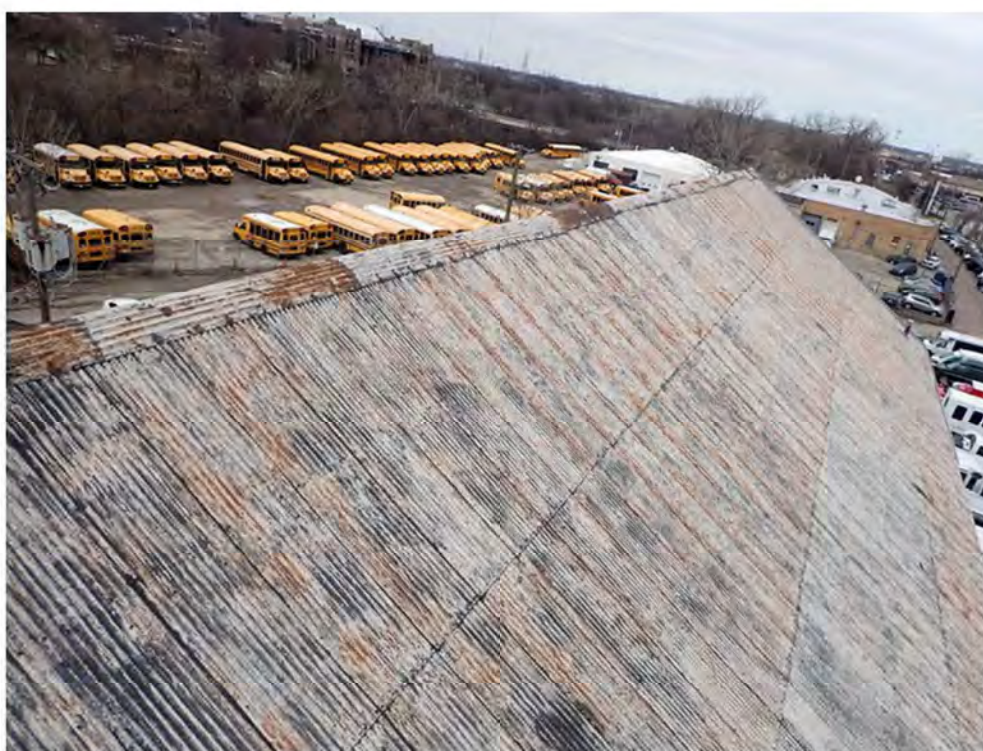
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117. West slope.



118. West slope.

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119. West slope.



120. View of panels used for ridge cap.

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121. View of panels used for ridge cap.



122. View of panels used for ridge cap.

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123. West slope.



124. West slope.

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125. North elevation of the paint building.



126. West elevation.

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127. West elevation.



128. Deteriorating masonry throughout.

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129. Dents in the steel overhead door.



130. Steel door dent.

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131. Steel door dent.



132. Second west-facing steel door.

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133. Steel door dent.

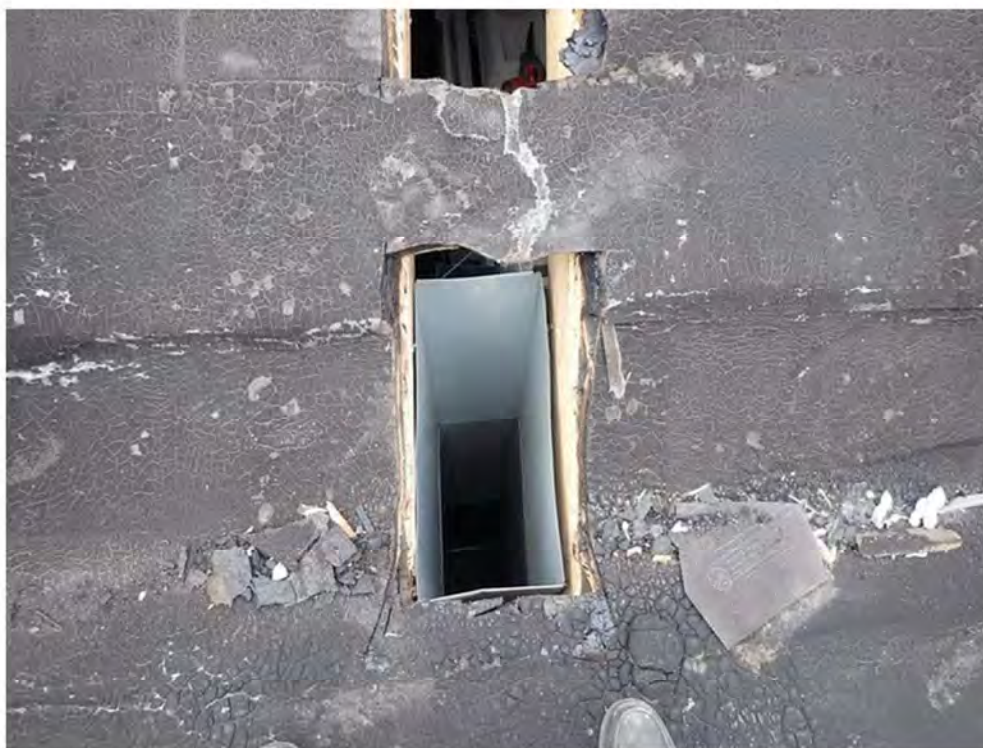


134. Steel door dent.

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135. Roof overview.



136. Opening cut in the roof.

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137. Cross section of the roofing layers.

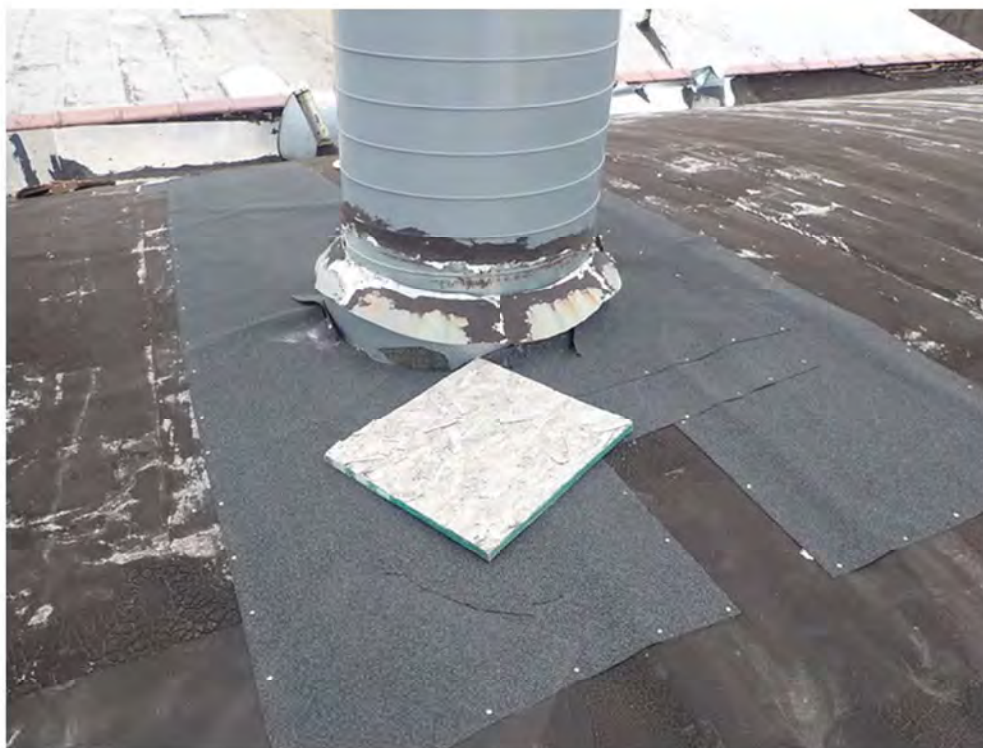


138. Cross section of the roofing layers.

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139. Approximate 17-inch lap exposure is consistent with the top layer being a two-ply BUR system.



140. Roof penetration with newer roofing material.

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141. Metal used as parapet flashing repairs.



142. Metal used as parapet flashing repairs.

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143. Metal used as parapet flashing repairs.



144. Transition along the parapet.

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145. Transition along the parapet.



146. Transition along the parapet.

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147. Transition along the parapet.



148. Membrane tear.

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149. Membrane tear.



150. Membrane tear.

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151. Detached parapet flashing.



152. Detached parapet flashing.

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153. Roof overview.



154. Roof overview.

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155. Roof overview.



156. Roof overview.

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157. Roof overview.



158. Vegetative growth.

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159. Typical alligator cracking in the flood coat.



160. Test area.

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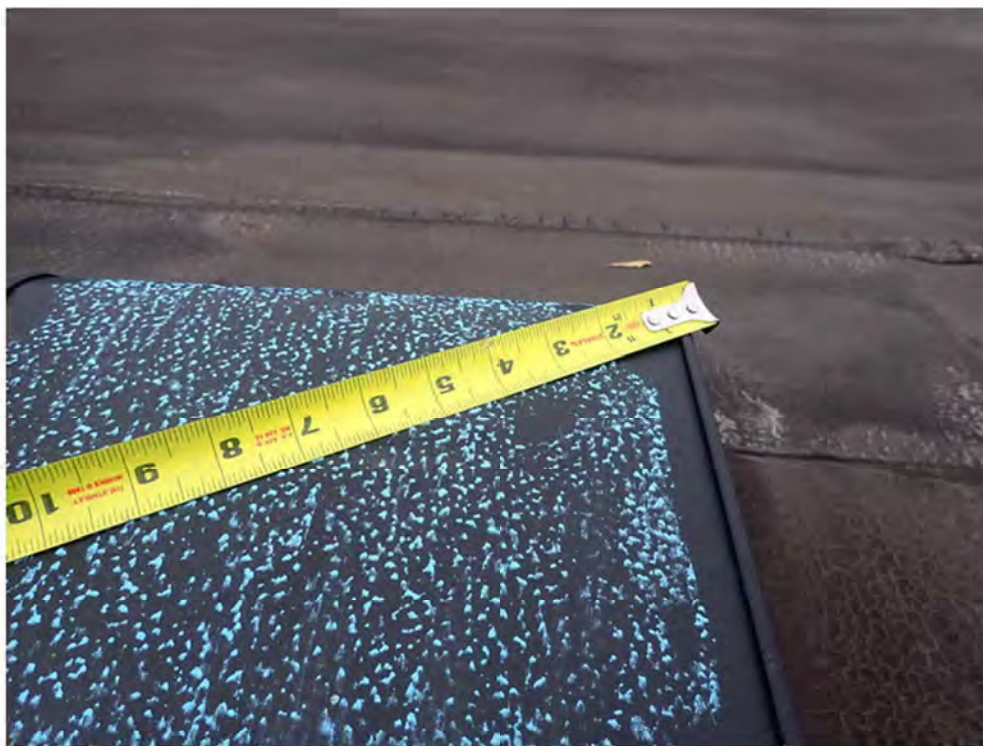


161. Membrane tear.



162. Aluminum vent.

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163. Shallow rounded dent in the vent.

EXHIBIT C

09/18/2024

Siglers Automotive and Body Shop, Inc.

7445 Channel Rd

Skokie, IL 60076

Policy Number: B010120-5 Claim Number: AR02107

DEMAND FOR APPRAISAL

To: West Bend

Please let this letter act as a request to dispute the value of my loss. The Company adjuster seems to have omitted coverage for additional incurred costs of replacement. According to the policy, if either party does not agree with the amount of the loss, the loss can be appraised if either party sends a written demand of a dispute and demands appraisal.

This letter is my notice of dispute. I am demanding appraisal per the insurance policy. For more detailed cost, and the additional amount being sought, please refer to the estimate on file.

Please have your chosen appraiser make contact with our appraiser and CC my public adjuster at: tishelandtishelpublicadjusting@gmail.com on all correspondence

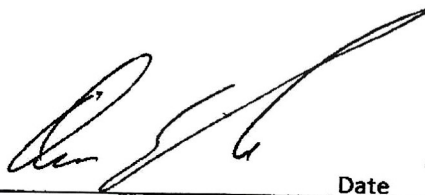
We have chosen Mr. Benjamin Smith with Bas Consulting and Services LLC as our independent appraiser.

You may reach Mr. Smith at 708-972-3264. His email address: Basconsultingandservices@gmail.com

Thank you for your timely reply,

Oren Sigler

Signature



Date

9-20-24